

Determinants of Post-Retirement Employment: Canadian Evidence

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Abstract

Post-retirement or 'bridge' employment is increasingly prevalent, supporting the perspective of a long-term transitional process from primary career employment to full retirement over time. This paper addresses the factors associated with post-retirement employment among recent Canadian retirees. Logistic regression modelling is applied to two cycles of the Canadian General Social Survey (2002 and 2007) to explore the determinants of returning to the paid labour force after retiring. Determinant factors examined include individual socio-demographic attributes (gender, age, education, family status), cited reasons for initial retirement, health status and financial circumstances. Results confirm the increasing incidence of post-retirement employment, the importance of higher education and age and the timing of initial retirement as explanatory factors, and a new dynamic for the interaction between financial status and post-retirement employment, favouring more financially-advantaged retirees. The benefits of post-retirement employment are reviewed, including those for individual workers, employers and work organizations, and society more generally.

The transition from regular work to full retirement has become more complex with evidence of multiple forms of mobility both to and from the paid labour force over the course of time. Initial retirement decisions may be reversed as circumstances and priorities of retirees evolve, often leading to a return to employment in one form or another. This paper examines the post-retirement employment experiences of two recent panels of Canadian retirees, drawing upon data from national General Social Surveys (GSS 2002 and 2007 cycles), and investigates how the factors or determinants associated with bridge employment have changed over time. Determinants explored in this research include individual socio-demographic attributes (gender, age, education, family status), key cited reasons for initial retirement (identifying whether initial retirement was voluntary, and if retirees no longer enjoyed work), health status (ordinally measured with categories from 'poor' to 'excellent') and financial status (including holding RRSPs or other investments, paying off debts before retirement, and receiving a pension through a private registered pension plan).

Recent research on retirement documents the increasing difficulty associated with defining 'retirement' in a modern context, and highlights the need to

examine retirement, not as a state, but rather as a transitional process over time (Bowlby, 2007; Deschenes & Stone, 2006; Duchesne, 2004; Giandrea, Cahill & Quinn, 2009; Han & Moen, 1999; Hebert & Luong, 2008; Pyper & Giles, 2002). The traditional state of retirement has become increasingly 'blurred and fuzzy' with the transition to full retirement involving very different career paths such as voluntary and involuntary, complete and incomplete trajectories (Deschenes & Stone, 2006), varying degrees of economic activity or inactivity (Bowlby, 2007), and reflecting the personal peculiarities in the biographical pacing of career trajectories over time (Han & Moen, 1999).

There are a range of objective, empirical definitions of 'retirement' – Statistics Canada provides one objective definition of 'being retired' to encompass those persons aged 55 years and older, not in the labour force and receiving at least half their total income from conventional retirement sources such as pensions or RRSPs (Bowlby, 2007). Objective definitions are generally superior to more subjective individual assessments of retirement status based on personally-defined criteria where people may consciously or inadvertently misclassify themselves (Bowlby, 2007; Ruhm, 1990). Subjectively-defined 'retirement' may



be fleeting or transitory in nature, leading to a re-assessment and re-definition of one's identity over time. There are also important distinctions between individual expressed preferences and actual plans with respect to retirement, relating to the involuntary nature of some retirement transitions where individuals may be unwillingly forced – due to ill health, job displacement or other reasons – to leave the labour force prematurely and effectively retire (Deschenes & Stone, 2006).

Although over half of Canadian near-retirees are confident they will be able to retire when planned, there remains an underlying theme of 'uncertainty', especially among those with health issues or with modest financial resources (Schellenberg & Ostrovsky, 2008a).

The likelihood of participating in bridge employment subsequent to initial retirement is impacted by a wide range of socio-demographic attributes (including gender, age, education and family status), the cited reasons or rationales for initial retirement, and is affected by health status and financial circumstances of individuals. With respect to gender, previous Canadian research has found that retired men are more likely to participate in the labour force relative to women (Deschenes & Stone, 2006; Duchesne, 2002; Schellenberg, Turcotte & Ram, 2005; Wannell, 2007a), that women generally have shorter transitions to retirement than men (Deschenes & Stone, 2006), and that women retirees are more likely to work on a part-time basis when they do return to

work (Schellenberg, Turcotte & Ram, 2005). Factors which may lower the re-employment rate of retired women can be linked to the household division of labour, with women generally contributing more time to housework than men, and being more intensively engaged in elder care (Wannell, 2007a). Recent qualitative research by August (2011) highlights some of the gender differences in retirement processes and documents the importance of the Kaleidoscope Career Model (KCM) for understanding women's later life career development and transitions.

With respect to labour force participation and age of retirement for older workers, contradictory trends are evident. While male and female labour force participation rates for seniors (aged 65 years and older) have increased markedly in recent years in Canada (Duchesne, 2002, 2004; Marshall & Ferrae, 2007; Uppal, 2010), 'early retirement' has also become increasingly prevalent, perhaps best symbolized through large-scale marketing campaigns for financial products and services such as 'Freedom 55', promoting and promising a financially safe and sure way to exit the workforce at an early age. Despite increased labour force participation among older workers, there has been a long-term general downward trend in the age of retirement spanning a period of several decades (Schellenberg & Ostrovsky, 2008b), with only a modest upturn in median retirement age in more recent years (Wannell, 2007a). Regarding bridge em-

ployment, previous research has shown that older retirees are less likely to return to the labour force relative to younger retirees (Cahill, Giandrea & Quinn, 2011; Kim & Feldman, 2000; Ruhm, 1990; Schellenberg, Turcotte & Ram, 2005; Wannell, 2007a).

As a key component of individual socio-economic status, the educational attainment of workers has a profound effect upon labour force participation and retirement plans and experiences. Workers with higher education (at least some college or university) are more likely to retire early (Duchesne, 2002, 2004; Yeandle, 2005). As well, more highly educated workers (especially those who have completed university degrees), are more likely to continue working into their retirement, relative to their less educated counterparts (Duchesne, 2002, 2004; Han & Moen, 1999; Hebert & Luong, 2008; Marshall & Ferrae, 2007; Morissette, Schellenberg & Silver, 2004; Schellenberg, Turcotte & Ram, 2005; Uppal, 2010). Factors associated with this education effect include that better educated retirees are given more chances to work (Han & Moen, 1999), that they tend to be concentrated in less physically-demanding occupations (Duchesne, 2004), and that their advanced education "...often translates into higher-quality job opportunities and higher earnings." (Marshall & Ferrae, 2007, p.7).

Retirement and subsequent employment decisions often occur in the context of family dynamics – the presence and employment status of a spouse or partner, adult children living at



home – so family status factors should be taken into account when modelling post-retirement employment outcomes. With respect to marital status, retired married persons are generally more likely to participate in bridge employment, to partially retire and to reverse their retirement status, relative to their non-married counterparts (Ruhm, 1990). In general, a spouse/partner in the labour force increases the likelihood of a retired spouse/partner participating in bridge employment (Hebert & Luong, 2008; Kim & Feldman, 2000). As well, the presence of adult children in the home is positively related to bridge employment among retirees (Kim & Feldman, 2000).

Reasons for retirement cited by workers can have a direct impact upon the likelihood of returning to employment during the course of retirement. Rowe and Nguyen (2003) provide a general typology of reasons for leaving employment, distinguishing involuntary reasons (such as ‘laid-off’ or ‘own illness or disability’) from voluntary reasons (including ‘retirement’, ‘personal or family responsibilities’, ‘dissatisfied with job’ or ‘other reasons’). Research suggests that most retirement decisions are voluntary in nature (Han & Moen, 1999; Pyper & Giles, 2002), although the voluntary/involuntary retirement distinction may be a false dichotomy since most retirees have at least some degree of choice or latitude with respect to the specific conditions or circumstances of their retirement. Those who find themselves

forced into retirement with inadequate planning and preparation may find it financially necessary to return to paid work in the labour force. Recent research by Pengcharoen and Shultz (2010) reveals the importance of work-related factors of job involvement and schedule flexibility impacting late-career employment statuses including partial retirement. Enjoyment of work is also a key factor associated with leaving career jobs, with job dissatisfaction linked to early retirement among Canadian workers (Park, 2010), with no longer enjoying one’s work increasing the likelihood of post-retirement employment (Schellenberg, Turcotte & Ram, 2005).

Individual health status is a key determinant of labour force participation, timing of retirement, and the likelihood of returning to employment after retiring. Generally speaking, objective measures of health status (indicators which reflect specific medical conditions and functional limitations) are regarded as superior over more subjectively-defined self-report assessments of health status. Indeed, recent research by Park (2010, p.7) highlights the potential social desirability bias associated with subjective health status measures (retirees claiming poor health in order to justify reduced labour force involvement), or perceived health status being used as a rationalization in retirement decision-making – “People who enjoy their work are likely to downplay their health problems and work longer, while those who dislike their work may exaggerate health problems and retire

sooner.” Recent research has documented that health status is positively associated with labour force participation among older workers more generally (Park, 2010; Uppal, 2010), and with bridge employment in retirement specifically (Cahill, Giandrea & Quinn, 2011; Han & Moen, 1999; Kerr & Armstrong-Stassen, 2011; Kim & Feldman, 2000; Schellenberg, Turcotte & Ram, 2005; Zhan, Wang, Liu & Shultz, 2009).

Financial circumstances of individuals have a profound effect upon the likelihood and age of retirement, as well as prospects for re-employment once retired. Earlier research by Han and Moen (1999) found that those who were financially well-prepared for retirement were less likely to return to paid work, while less-prepared individuals often need to return to work out of necessity. Access to RRSPs or other financial investments can also influence retirement plans and outcomes, with those workers with RRSPs or other accumulated savings being more likely to seek out financial and retirement information and expressing greater certainty regarding their retirement plans (Morissette & Ostrovsky, 2007; Schellenberg & Ostrovsky, 2008a; 2008b). Accumulated debt is also an important consideration, with Canadian seniors paying mortgages or other debts being more likely to continue to participate in the labour force, often because of financial obligation or economic necessity (Uppal, 2010). Perhaps the most significant financial factor associated with retirement and subsequent labour force partici-



pation of retirees is private pension plan coverage. Bridge employment is less common and typically of shorter duration among workers covered by pension plans (Ruhm, 1990), and those workers in private pension plans are more likely to retire early (Hebert & Luong, 2008; Wannell, 2007a, 2007b; Yeandle, 2005). However, the dynamics of retirement transitions and bridge employment will likely change given marked shifts in the definition and structure of private pension plans with a significant decline in defined benefit (DB) plans, and corresponding increase in defined contribution (DC) plans which shift the long-term financial risk of market-based asset investment away from employers and directly on to workers (Cahill, Giandrea & Quinn, 2011; Gougeon, 2009; Morissette & Ostrovsky, 2007).

The review of relevant literature above leads to a set of hypotheses related to post-retirement or bridge employment of Canadians to be tested using data from two General Social Surveys (2002 and 2007 cycles):

- H.1. Male retirees are more likely to engage in post-retirement employment relative to female retirees.
- H.2. Age will be negatively associated with post-retirement employment. Those retirees who retire early (before 55 years) are more likely to engage in post-retirement employment, while those who retire later (at or beyond 60 years) are less likely to take on employment in their retirement.

- H.3. Education will be positively associated with post-retirement employment. Those retirees with some college or university-level education are more likely to engage in post-retirement employment, and those with completed university degrees are much more likely to accept employment in their retirement.
- H.4. Married retirees (and those in common-law relationships) are more likely to engage in post-retirement employment relative to all other marital statuses.
- H.5. Retirees whose spouse or partner retired within the past year (of the survey) are less likely to engage in post-retirement employment relative to others.
- H.6. Retirees with one or more single adult children living at home are more likely to engage in post-retirement employment relative to those without.
- H.7. Retirees who voluntarily retired from their last jobs are less likely to engage in post-retirement employment relative to those who retired involuntarily.
- H.8. Retirees who reported that they retired because they no longer enjoyed the work they did are more likely to engage in post-retirement employment relative to others.
- H.9. Health status will be positively associated with post-retirement employment. Retirees who subjectively report less than 'excellent' health are less likely to en-

- gage, and those reporting 'poor' health status are least likely to engage in post-retirement employment.
- H.10 Retirees who reported RRSPs or other investments at the time of retirement are less likely to engage in post-retirement employment, and those reporting both RRSPs and other investments are least likely to assume employment in their retirement.
- H.11 Retirees who reported paying off debts prior to retirement are less likely to engage in post-retirement employment relative to others.
- H.12 Retirees who reported receiving a pension from an employer are less likely to engage in post-retirement employment relative to those without private pension plans.

Method

Patterns of post-retirement or bridge employment among Canadians are explored through secondary analysis of two cross-sectional national surveys. General Social Surveys from 2002 (GSS Cycle 16) and 2007 (Cycle 21) focus on 'family, social support and retirement', are based on national representative samples of Canadians aged 45 years and older, and are designed to investigate both retirement status and plans/intentions of Canadians. These surveys were conducted by the national data collection agency Statistics Canada (2009a, 2009b), collecting data using computer-assisted telephone interviewing (CATI)



methods, employing random digit dialing (RDD) to contact households with land-line telephones to generate geographically-stratified probability samples of Canadians. Response rates for these national surveys (responding households as a percentage of eligible households) were in the order of 80 percent, and results based on these two surveys can be generalized to the non-institutionalized population of older Canadians across the ten provinces of the country.

For the present research, a very broad operational definition of ‘bridge employment’ is used to capture as large a segment of General Social Survey (GSS) respondents as possible. Specifically, all respondents in 2002 and 2007 surveys (aged 45 years and older) were asked if they had ‘ever retired’ (as subjectively defined by the individual), and also queried about their employment status in the year of the survey. Those respondents who reported that they had indeed previously retired at some point, and were also actively employed at the time of the survey (2002 or 2007, respectively) were then classified as engaged in bridge employment. The focus of this research is to explore and model the determinants of bridge employment over time among Canadian near-retirees aged 45 years and older.

Results

Table 1 presents both planned (columns 1 and 3) and actual (columns 2 and 4) retirement ages of older Canadians in 2002 and 2007. Among survey respondents who reportedly ‘ever

retired’ over half had retired before the age of 60 years, with just over one in six retiring at 65 years or older. By 2007, nearly three in ten reported retiring before the age of 55 years, compared to about one-third of respondents in 2002. The percentage retiring between the ages of 55 and 59 years increased modestly between the two survey cycles, and overall there is some evidence of ages at first retirement increasing between 2002 and 2007.

A starkly different age distribution is evident for those Canadians who had not yet retired when queried about their planned age of retirement. Fully two in five respondents indicated their intention to retire at age 65 years or older, with another three in ten reporting plans to retire between the ages of 60 and 64 years. Over one in five planned earlier retirements between 55 and 59 years of age, while a

small segment (2-3 percent) planned retiring before the age of 55 years. Similar to the ‘ever retired’ subset, there is evidence of modest increasing ages for planned retirement between 2002 and 2007 survey dates. In general, planned or anticipated retirement ages are markedly higher for Canadians who have yet to retire, compared to actual first retirement ages of those who reported having retired, with most of the statistical differences found in the top and bottom age categories – non-retirees were much less likely to plan to retire at under 55 years of age, and much more likely to plan to retire at 65 years and beyond. Further, it is probable that these differences between planned and actual retirement ages underestimate the true magnitudes since these data exclude those non-retired Canadians who reported that they ‘do not intend to retire’ – approximately nine percent of both GSS

Table 1
Planned and Actual Retirement Ages of Canadians 45 Years and Older General Social Surveys, 2002 and 2007

General Social Survey	GSS 2002		GSS 2007 ²	
	Never Retired	Ever Retired	Never Retired	Ever Retired
Planned / Actual Retirement Age Categories ¹	Age Planning to Retire	Age when First Retired	Age Planning to Retire	Age when First Retired
Under 55 Years	3.7%	33.8%	2.6%	29.5%
55 to 59 Years	25.6	23.9	22.7	26.8
60 to 64 Years	30.6	25.0	31.6	25.4
65 Years and Over	40.1	17.2	43.0	18.3
Sample Size	7,591	7,960	9,296	8,711

1 Excludes non-retired survey respondents who indicated that they do not intend to retire.
 2 Bootstrap weights applied to GSS 2007 to correct variance estimates for survey design following methods outlined in Gagne, Roberts and Keown. (2010).



samples and hence did not provide a planned or anticipated retirement age.

Given the increasing age profiles for both retirement plans and experiences of Canadians, it is useful to explore the extent to which the state of retirement is definitive or transitory in nature, by addressing post-retirement or bridge employment experiences of retirees. Table 2 provides descriptive statistics for the subsets of survey respondents who reported ever retiring for the dependent variable of post-retirement employment status and factors or determinants associated with working after retirement.

Beginning with employment status (defined broadly to include any paid work in a job or business after first reported retirement), over one in five re-

tirees reported having returned to work in the 2002 survey, increasing to over one in four retirees in the 2007 survey. These data reveal a clear trend towards bridge employment, highlighting the increasingly transitory nature of subjectively-defined ‘retirement’ and that it must be viewed as an evolving process rather than as a definitive state. Turning to descriptive statistics for factors associated with post-retirement employment, there is a near-even gender split (gender parity) in both survey years, and about three in ten reported retiring before the age of 55, while over two in five indicated first retiring at age 60 years or later. About one in eight respondents had some college or university education, and less than one in six had completed a university degree in 2002. By 2007, about one in

eleven had some college or university education, while fully one in five reported completion of a university degree, pointing to a clear progression in educational attainments over time.

Fully two-thirds of both samples of retirees were married or common-law, and over a third of each survey group reported that their spouse or partner had retired in the past year, with a four percentage point increase over time. Between one in eight and one in seven retirees reported at least one single adult child living at home. The vast majority of retirement decisions were voluntary in nature, although voluntary retirement was more prevalent in the 2002 survey. A relatively small and declining proportion of retirees reported that their retirement decision was due to no longer enjoying work.

Only subjective self-report measures of health status are provided in both cycles of the General Social Survey being compared in this research. Survey respondents were asked to provide a subjective assessment of their health at the time of their first retirement, on a five-point ordinal scale ranging from ‘poor’ to ‘excellent’. The health of retirees improved modestly between the two surveys – more retirees in 2002 reported their health status as either ‘fair’ or ‘poor’, while three in five retirees in 2007 indicated their health as being ‘very good’ or ‘excellent’. Overall, the vast majority of retirees in both surveys indicated that their health at the time of retirement was at least ‘good’ or better.

Table 2

Descriptive Statistics for Factors Associated with Post-Retirement Employment For Canadians Aged 45 Years and Older Who Ever Retired

Variable – Category	GSS 2002 (N = 7,960)	GSS 2007 ² (N = 8,711)
Employment Status – Held Job Post Retirement ¹	22.8%	27.6%
Gender – Male	49.9%	49.7%
Age First Retired – Before 55 Years	33.8%	29.5%
Age First Retired – 60 Years Plus	42.3%	43.8%
Education – Some College or University	12.8%	9.0%
Education – University Degree Completed	15.7%	20.3%
Family Status – Married or Common Law	67.6%	68.9%
Family Status – Spouse Retired in Past Year	37.2%	41.2%
Family Status – Single Adult Children at Home	14.0%	12.7%
Retirement Decision – Voluntary Retirement	70.0%	57.8%
Retirement Decision – No Longer Enjoyed Work	13.0%	8.3%
Health at Retirement – Poor	11.6%	7.3%
Health at Retirement – Fair	10.1	8.5
Health at Retirement – Good	23.3	23.1
Health at Retirement – Very Good	23.7	27.4
Health at Retirement – Excellent	31.3	33.5
Financial – No RRSPs, Other Investments	29.1%	21.1%
Financial – RRSPs or Other Investments	38.7	46.5
Financial – RRSPs and Other Investments	32.2	32.4
Financial – Paid Off Debts Before Retirement	74.4%	43.1%
Financial – Receive Pension from Employer	43.9%	54.1%

1 Reported any paid work at any time at a job or business after first retirement.

2 Bootstrap weights applied to GSS 2007 to correct variance estimates for survey design following methods outlined in Gagne, Roberts and Keown. (2010).



Nearly three in ten retirees in 2002 reported no Registered Retirement Savings Plans (RRSPs) or other investments at the time of retirement, while retirees in the 2007 survey were more likely to report holding RRSPs or other investments relative to the earlier survey respondents. Close to a third of retirees in both surveys indicated they had both RRSPs and other investments at the time of their retirement. Nearly three-quarters of retirees in 2002 reported that they had paid off debts before retirement, compared to less than half of retirees in 2007, and over half of retirees in 2007 reported that they received a pension from a former employer, compared to over two in five of retirees in 2002. These descriptive statistics reveal somewhat distinct portraits of financial preparations among retirees with more focus on debt repayment in 2002, and more attention to building financial assets in 2007.

To assess the effects of each of these factors on the likelihood of post-retirement employment among Canadian retirees, and to compare patterns of association over time (between 2002 and 2007 surveys), logistic regression modelling is employed with a dichotomous dependent variable of post-retirement employment status. The overall likelihood of post-retirement employment for Canadian retirees grew by nearly five percentage points between 2002 and 2007. Table 3 provides individual variable results from modelling in the form of odds ratios (logit coefficients in parentheses), as well as overall model results in the lower

panel. Overall, logistic regression models applied to each of these samples of Canadian retirees were highly statistically-significant after taking into account the 18 specific factors.

Beginning with Canadian retirees surveyed in 2002, those retiring before the age of 55 years and respondents holding a university degree were more than twice as likely to be employed in retirement. Other factors which increased the odds of post-retirement employment include deciding to retire due to no longer enjoying work, having RRSPs and other investments, being male, married or common-law, having RRSPs or other investments, having some college or university education, and receiving a pension from an employer. Several factors reduced the odds of post-retirement employment including retiring at age 60 or beyond, having a spouse or partner who retired within the last year, and especially poorer health status – retirees reporting ‘poor’ health status at the time of retirement were only about a third as likely to be employed in retirement relative to those indicating ‘excellent’ health (reference category). Several factors (voluntary retirement, paying off debts before retirement and having a single

adult child living at home) were not statistically-significant with odds ratios close to parity. Results found for the 2002 survey were largely consistent with hypotheses specified in the previous section, with the notable exception of the financial status indicators, each of which served to increase the odds of bridge employment in retirement.

For Canadian retirees surveyed in 2007, all tested variables yielded odds of less than a factor of two (less than two times likely). Important factors which increased the odds of post-retirement employment included: university degree completion, retiring before the age of 55 years, having some college or university education, having RRSPs or other investments, being male, having RRSPs and other investments, being married or common-law, receiving a pension from an employer, deciding to retire due to no longer enjoy-

Table 3
Factors Associated with Post-Retirement Employment for Canadians Aged 45 Years and Older Who Ever Retired. Odds Ratios with Logit Coefficients in Parentheses

Factor	GSS 2002	GSS 2007 ³
Male Retiree	1.61** (0.48)	1.70** (0.53)
Retired Before 55 Years	2.51** (0.92)	1.77** (0.57)
Retired 60 Years Plus	0.70** (-0.35)	0.67** (-0.40)
Some College or University	1.48** (0.39)	1.73** (0.55)
University Degree Completed	2.15** (0.77)	1.83** (0.60)
Married or Common Law	1.55** (0.44)	1.58** (0.46)
Spouse Retired in Past Year	0.49** (-0.71)	0.61** (0.49)
Single Adult Children at Home	1.15 (0.11)	1.15 (0.14)
Voluntary Retirement	0.92 (-0.09)	1.32** (0.27)
Retired No Longer Enjoyed Work	1.74** (0.55)	1.43** (0.36)
Poor Health at Retirement ¹	0.32** (-1.14)	0.34** (-1.09)
Fair Health at Retirement ²	0.45** (-0.79)	0.52** (-0.66)
Good Health at Retirement ¹	0.81* (-0.21)	0.75** (-0.29)
Very Good Health at Retirement ¹	0.75** (-0.28)	0.86* (-0.16)
RRSPs or Other Investments ²	1.53** (0.42)	1.72** (0.54)
RRSPs and Other Investments ²	1.64** (0.50)	1.68** (0.52)
Paid Off Debts Before Retirement	1.05 (0.05)	1.23** (0.24)
Receive Pension from Employer	1.23** (0.21)	1.55** (0.43)
Constant
-2 log likelihood	7270.57	8947.83
Model χ^2	1086.52**	1183.69**
Model degrees of freedom	18	18
N	7,779	8,599

1 Excellent health is the omitted reference category
 2 No RRSPs or other investments is the omitted reference category
 3 Bootstrap weights applied to GSS 2007 to correct variance estimates for survey design following methods outlined in Gagne, Roberts and Kocsoni (2010).
 * p < .05 ** p < .01



ing work, retiring voluntarily, and paying off debts before retirement. The same set of factors reduced the odds of post-retirement employment including retiring at age 60 or beyond, having a spouse or partner who retired within the last year, and poorer health status. Only having adult children living at home was found to be not statistically-significant in the 2007 survey data. Results found for the 2007 survey were largely consistent with hypotheses specified in the previous section, with several notable exceptions including each of the financial status measures (increasing rather than decreasing the odds of bridge employment), and voluntary retirement which also served to increase the odds of re-employment in retirement.

In comparing logistic regression models for Canadian retirees across the 2002 and 2007 surveys, results are largely consistent with the same sets of factors increasing and decreasing the odds of post-retirement employment, respectively. However, there were notable shifts in the magnitudes of some odds ratios across the two surveys. The largest magnitude shift was found for retirees who retired before the age of 55 years, with the odds of post-retirement employment for this group declining markedly between 2002 and 2007. The odds of post-retirement employment for those who retired voluntarily increased from near parity in 2002 to roughly a third higher by 2007. Increasing odds over time were also found for Canadian retirees with some college or university education, having RRSPs or other investments, and having

paid off debts before retirement. In fact, the odds of re-employment increased for all of the financial status indicators over time, signifying a new dynamic for the relationship between financial considerations and retirement. Decreasing odds over time were found for retirees with university degree completion, as well as those who retired because they no longer enjoyed their work.

The impact of educational attainment on the likelihood of post-retirement employment was especially pronounced in logistic regression models applied to both surveys. University degree completion exhibited the highest odds ratio for post-retirement employment of retirees in 2007 (second highest in 2002), and having some college or university educational attainment had the third highest odds ratio in 2007. Given the prominence of educational attainment in both models, Table 4 explores actual employment outcomes for retirees who returned to work as a secondary measure of socio-economic status. Industry sector is used to measure employment outcomes since data on occupational classification is unavailable for comparison across the two surveys. The industry grouping captured in these surveys only pertains to bridge employment held within the last twelve months of the survey, serving to reduce the sample subset.

Table 4 reveals some subtle but important shifts in the nature of post-retirement employment of Canadians, including declines in both primary and secondary industry employ-

ment between 2002 and 2007. These sector declines are offset by an increase in broader service sector employment, although there is a mixed pattern across the industry groups found in this broad sector. While educational services, public administration, professional, scientific & technical services, and transportation & warehousing increased in proportionate share of post-retirement employment across the surveys, other industry groups of health services, trade, and other services experienced declines between 2002 and 2007 surveys. Industry shifts in post-retirement employment across the surveys are entirely consistent with broader labour force trends evident across post-industrial societies (declining primary and secondary sector employment, expanding service sector), with further evidence of expansion of upper-tier service industries (education, public administration, professional, scientific & technical services) over time. These industry sector trends are entirely consistent with the increased ranking of higher educational attainment factors evident in models for both 2002 and 2007 survey data, since post-secondary education is typically required for employment in upper-tier service sector industries.

Discussion

Post-retirement or bridge employment has become increasingly prevalent in Canada (Deschenes & Stone, 2006; Duchesne, 2004; Hebert & Luong, 2008; Pyper & Giles, 2002; Schellenberg, Turcotte & Ram, 2005; Wannell, 2007a), and



Table 4

Industry of Employment For Post-Retirement Employment For Canadians Aged 45 Years and Older Who Ever Retired

North American Industrial Classification System (NAICS) ¹	GSS 2002 (N = 1,157)	GSS 2007 ² (N = 1,535) ³
Primary Industries ⁴	6.4%	5.4%
Secondary Industries	14.1%	11.6%
Construction	6.4	5.2
Manufacturing	7.7	6.4
Service Industries	79.5%	83.0%
Trade	14.3	13.2
Transportation & Warehousing	4.2	5.7
Finance, Insurance, Real Estate & Leasing	7.2	6.9
Professional, Scientific & Technical Services	8.6	10.2
Management, Administrative & Other Support	5.7	6.0
Educational Services	8.4	11.6
Health Services	11.2	8.1
Other Services ⁵	15.0	13.6
Public Administration	5.0	7.8

- 1 Collapsed from 16 category NAICS coding due to small cell sizes
- 2 Bootstrap weights applied to GSS 2007 to correct variance estimates for survey design following methods outlined in Gagne, Roberts and Keown. (2010).
- 3 Refers only to employment 'in the last 12 month' prior to the survey
- 4 Primary industries include agriculture, forestry, fishing, mining, oil and gas
- 5 Other services include information, culture and recreation, accommodation and food services, and all other services.

other post-industrial societies (Cahill, Giandrea & Quinn, 2011; Giandrea, Cahill & Quinn, 2009; Kim & Feldman, 2000; Pengcharoen & Shultz, 2010; Ruhm, 1990; Yeandle, 2005). Bridge employment among retired Canadians aged 50 to 69 years averaged about nine percent annually between 1999 and 2004 (Hebert & Luong, 2008), with many returning to the workforce after retiring from long-term jobs (Pyper & Giles, 2002; Wannell, 2007a), and often returning to work on a part-time basis (Schellenberg, Turcotte & Ram, 2005). A range of incentives could be offered to encourage older workers to return to, or remain attached to the labour force through 'retirement smoothing' work practices such

as self-employment, part-time work and other flexible work arrangements (Walsh, 1999; Schellenberg, Turcotte & Ram, 2005), or other measures such as fewer annual work weeks, or reduced impact on salary/pension income (Morissette, Schellenberg & Silver, 2004). The potential to reduce work effort to part-time hours is likely the most important incentive which could be offered to retain older workers in the labour force (Morissette, Schellenberg & Silver, 2004; Schellenberg, Turcotte & Ram, 2005; Wannell, 2007a).

Data from two Canadian General Social Surveys (2002 and 2007 cycles), also confirm that post-retirement employment has become more prevalent over time, with over a quarter of more

recent retirees engaged in bridge employment of some form. This supports the view of retirement as a longer-term transitional process which may entail multiple exits and re-entry into the labour force over time. To some extent, this pattern may reflect differences in the educational profile of the two GSS samples, with a higher proportion of more recent retirees – about one in five – holding a university degree. Those retirees with a university degree exhibited the highest odds of re-employment during retirement in 2007 (second highest odds for retirees in 2002), relative to all other groups examined in this multivariate analysis. As educational attainments increase, one can expect even higher rates of post-retirement employment, particularly among highly-educated retirees. Based on industrial sector breakdowns for post-retirement jobs, one can also expect a greater proportion of these jobs will be found in upper-tier service sector occupations. This suggests that not only is bridge employment increasing as a phenomenon, but that the quality of such jobs is also improving with time, with higher proportions of retirees returning to work in desirable jobs, even if on a part-time basis.

GSS data also reveal the critical importance of age and the timing of retirement in terms of the likelihood of bridge employment. Canadians retiring before the age of 55 years exhibited the highest odds of re-employment in 2002 (second highest odds in 2007), relative to all other groups, while Canadian workers retiring at age 60 or beyond had



among the lowest odds of re-employment in both years. The greater likelihood of early retirees returning to the labour force may be attributed to a number of possible factors. Early retirees may become disenchanted with retirement life beyond the initial ‘honeymoon’ phase, and actively seek out employment to fill their time with meaningful, constructive activity. Early retirees may become aware that their financial resources are inadequate or insufficient to maintain the standard of living and quality of life they had become accustomed to prior to retirement, and decide to return to employment to supplement their income levels and top up financial reserves. For those early retirees who left the labour force due to health concerns or issues, there may be improvement in their health status post-retirement prompting them to return to work, even if on a part-time basis. Early retirees may conclude that their initial retirement was primarily due to poor morale or dissatisfaction with their previous job, employer or workplace, and may actively seek out new ventures after retirement in a different form of employment situation.

Survey results on the financial status measures from both surveys did not support hypotheses as specified, and signify that there is a new dynamic for the interaction between financial circumstances and post-retirement employment. Those retirees who were financially advantaged – who had RRSPs and/or other investments, who paid off their debts before retirement, and who received a private

pension through a registered pension plan (RPP) – were also more likely to return to the labour force after retirement. In fact, for all of these financial measures, the odds of post-retirement employment actually increased between 2002 and 2007. These data reveal that Canadian retirees who can well-afford to retire and remain retired are actually more likely to reverse their retirement decisions and return to paid work in the labour force after their initial retirement. It is reasonable to assert that those retirees who ‘have their financial house in order’ in terms of greater investments, fewer debts and access to private pensions are much more likely to be higher in socio-economic status, reflected in higher levels of educational attainment, better quality jobs and higher incomes before retirement. Accordingly, these higher-SES retirees may be well-positioned to seek out and obtain good quality jobs during their retirement phase, encouraging them to return to the labour force to similar or different jobs. Higher-SES retirees are more likely to possess the right combination of knowledge, skills and experience, and the appropriate network connections necessary to secure good quality bridge jobs during the course of their retirement.

There were mixed results for declared ‘voluntary’ retirement among surveyed retirees, with voluntary retirees modestly less likely to engage in bridge employment in 2002 and much more likely to participate in the labour force after retirement in 2007 (increasing odds of re-employment by about a third). The

reversal of odds over the five-year time frame could reflect instability in this measure over time, or may signify a more fundamental change – the voluntary/involuntary retirement distinction may represent an arbitrary or false dichotomy which is not especially helpful for understanding post-retirement employment outcomes. A clear majority of Canadian retirees declare that they retired from the labour force ‘voluntarily’, although this subjectively-defined measure may not accurately represent the moral suasion influences of family and others on the decision-making process, nor their employers’ encouragements or inducements through one or more early retirement incentives offered at the workplace. For those who retire ‘involuntarily’ (whether through compulsory layoff when a company goes out of business, or due to poor or failing health, or through other forms of ‘involuntary terminations’ such as dismissals, or other subtle but sure ways to push a worker out of a workplace), they likely have little or no potential to reverse the immediate decision of cessation of work activity. However, these involuntarily displaced workers remain free-willed individuals who usually can and often do re-define or re-shape their identities over the life course. While many such individuals will return to the workforce out of economic necessity, many others will engage in post-retirement employment after some time of introspective soul searching leading to new identity and seeking out new ventures in the work world.



Although these particular General Social Surveys are well-suited to formally investigate some of the key determinants of bridge employment among Canadians, there are important limitations to recognize. The cross-sectional design of each GSS provides at best a 'snapshot' of circumstances at a particular point in time, along with retrospective data about previous statuses and experiences. By contrast, longitudinal survey designs capturing data at two or more distinct points in time would yield a more sophisticated understanding of the dynamics of work-retirement transitions, and such survey designs are recommended for future research on the important topic of bridge employment. Beyond this, the timing of these surveys clearly limits our ability to generalize forward – data for the 2002 GSS were collected towards the end of a recessionary period, while the 2007 GSS was conducted just prior to the global economic crisis of 2008 with collapsed money, stock and housing markets, higher unemployment, and greater risk and uncertainty regarding the economic future. The value of most public and private pension plans, RRSPs and other savings/investment vehicles declined precipitously after GSS 2007, with no clear recovery in sight. Trends towards fewer 'defined benefit' and more 'defined contribution' pension plans will leave individual retirement plans more precarious, with greater numbers of Canadians either deferring retirement out of economic necessity, or engaging in bridge employment after retire-

ment to maintain their financial security and quality of life.

Given prior trends and current economic circumstances, the prevalence of post-retirement or bridge employment is expected to increase over time, with important potential benefits for the individual retiree, for their employers and work organizations, and for the broader society more generally. At an individual level, re-employment after retirement may lead to greater financial stability and security (boosting income levels in the short-term, and financial investment reserves in the longer-term), may promote personal self-fulfillment through engaging in productive, meaningful work activity, and may psychologically ease the transition between life phases of work and full retirement by not forcing an abrupt adaptation to very different state in a very short time. Through post-retirement employment, individuals are able to constructively apply their accumulated human capital (their education, skills and knowledge, and work/life experiences) in the workplace to benefit themselves and others.

For employers and their work organizations, post-retirement employment can obviously help in balancing labour supply and demand shortfalls through the employment of typically older, more skilled, knowledgeable and experienced workers. Often retirees returning to the workforce are interested in participating at a reduced level of work activity, whether through part-time or otherwise short-term casualized employment condi-

tions, serving to reduce actual labour costs to the work organization while retaining expertise – this is a 'win-win' scenario for the individual retiree and the employer. When retirees return to their former career job with their previous employer – even if on a part-time basis – then there are further benefits to the work organization in the form of retained 'institutional memory', reducing the likelihood of repeating mistakes from the past, or embarking on previously disproven strategies or ventures at the workplace. Post-retirement employment can be proactively adopted as a workplace strategy by employers through offering flexible working hours and other 'smoothing' work time arrangements (especially providing the option of part-time employment to retirees returning to the workforce) to interested retirees.

For society at large, the broader benefits of post-retirement employment can be profound, especially when considering the sheer demographic magnitude of the 'baby boom' cohorts and their on-going transition from regular work to full retirement. As large numbers of 'baby boomers' (those born between 1946 and 1965) approach the retirement phase in life, there are profound implications for costs to public pension plans, for long-term burdens on health and social welfare systems and services, and for increasing demands and expectations placed upon the remaining labour force (especially levels of taxation to cover the long-term costs of public pensions, government systems and services created by signifi-



cant shifts in demographic dependency ratios over time). When retirees return to work, they contribute much more than their work effort – they continue to pay taxes (albeit at reduced rates and levels), they may defer receipt of public pension funds (reducing the burden upon public pension plans in the short-term), and they remain physically and mentally active and engaged (reducing the likelihood of sliding into a state of poor health, and lowering demands on health care systems and services). From a broader societal perspective, post-retirement employment can be viewed as an important mechanism to promote and encourage the full utilization of human capital to the long-term benefit of society.

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