

**DISCUSSION OF
*OCCUPATIONAL CHANGES FOLLOWING
DISABILITY ONSET IN THE LATE
WORKING YEARS***

Brooke Helppie-McFall

University of Michigan

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SUMMARY OF SCHIMMEL AND WU

- Analysis starts with HRS respondents ~age 55, working, without work-limiting health conditions
 - Are those who developed work-limiting health conditions more likely to have changed their occupation or stopped working for pay by age 59, 63, 67, relative to those without health conditions?
 - Do work-limiting health conditions interact differently with employment/occupation choice depending on the job demands and job characteristics?
 - O*Net linkage is a very large data undertaking, creating custom crosswalks, etc.
- They find evidence for increased probability of no longer working and of occupational transitions after onset of work-limiting health conditions.
- Mixed evidence about relationship between job characteristics/skills/demands and work-limiting health issues and occupational change.

WHY THIS IS IMPORTANT

- There is broad policy interest in keeping people at work longer if they can work longer.
- Jobs with high levels of physical demands like lifting or stooping, or which require quick reflexes, can be problematic for older adults due to normal aging.
- But chronic conditions can further interfere with ability to work.

WHY THIS IS IMPORTANT

- It's been shown that older workers often adjust to employment with low scheduling flexibility, high stress and high physical demands by changing occupations to better fit their needs and preferences.
- BUT: Occupational changes at older ages are also associated with lower earnings and lower status (Johnson and Kawachi, 2007; Sonnega, Helppie McFall and Willis, 2016)
- AND: Work-limiting conditions are associated with lower earnings and higher poverty (Schimmel and Stapleton 2012)
- Seems likely that many occupational changes due to work-limiting health conditions
 - Important because occupational change due to poor health often means lower wealth and income than would be the case if continued work, which may further exacerbate the negative later-life effects of poor health
 - Policy implications for extending work lives through employment policy related to accommodations for health and disability
 - Also carries implications related to the impact of increased mechanization of jobs, which may affect their level of physical demands.

OCCUPATIONAL CHANGE AT LATER AGES LIKELY TO RESULT IN LOWER EARNINGS

	Count	Percent
Longest-held occupation at 55 to occupation at 62 (N=7,548)		
Leaves Labor Force	4,330	57.4%
Same Job	1,924	25.5%
Changes Career - Up > 10%	464	6.1%
Changes Career - Lateral (< 10% either way)	331	4.4%
Changes Career - Down 10-25%	149	2.0%
Changes Career - Down 26-50%	157	2.1%
Changes Career - Down > 50%	193	2.6%
Longest-held occupation at 55 to occupation at 66 (N=5,729)		
Leaves Labor Force	4,207	73.4%
Same Job	768	13.4%
Changes Career - Up > 10%	260	4.5%
Changes Career - Lateral (< 10% either way)	139	2.4%
Changes Career - Down 10-25%	82	1.4%
Changes Career - Down 26-50%	124	2.2%
Changes Career - Down > 50%	149	2.6%

Source: Table 6 in Sonnega, Helppie-McFall and Willis, 2016

SUGGESTIONS TO AUTHORS I

- Perceptions of work-limiting health conditions are likely a function of an individual's health *and* their job, since that is their point of reference.
- Consider starting at age 50 / first HRS interview to observe more individuals before onset of health.
- Consider a “mismatch” framework, since conditions are only work-limiting if they affect one's ability to carry out tasks related to one's own job (see Sonnega et al., 2018, and Hudomiet, Hurd, Rohwedder, Willis, 2017)
- Create comparisons of occupation/labor force outcomes at various ages by broad occupational category or by job demand type and level.

SUGGESTIONS TO AUTHORS II

- Additional measures that might be of interest: ADLs, whether gave health as a reason for retirement, list of chronic conditions.
- Potential reference: Couch and Yu, “Demographic Correlates of the Onset of Work Limiting Health Conditions” in Journal of Economic and Social Measurement, 2018. (uses NHIS and SIPP).
 - Shows that recall bias about onset of work-limiting health conditions not a big concern (though justification bias might still be, as you mention).
 - They find several conditions that are not related to predictors other than age– these might be leveraged in causal analysis if desired.
 - They write “back or spine problems, cancer, heart trouble, and stroke” are the most common problems that cause work limitations for older adults.