

Module on leaving the labour market and making the transition towards definitive retirement, associated with the Community Labour Force Survey of 2006.

Madrid, May 2007

1. Background

The Community Labour Force Survey (LFS) is performed in coordination throughout the scope of the European Union, in accordance with the terms envisaged in Council Regulation 577/98 concerning the organisation of a sample survey on the economically active population in the Community (Official Journal of the European Communities L-77, of 14th March).

In the case of Spain, the LFS is included in the Economically Active Population Survey (EAPS). The EAPS has been adapted to the aforementioned regulation since the first quarter of 1999.

This regulation indicates that for the second quarter of each year, the LFS should include a series of questions on particular subjects relating to the labour market, thus until 2005 in Spain, the ad-hoc module was carried out for the said quarters along with the EAPS.

In 2005, Regulation 430/2005 was published, establishing that the collection of information corresponding to the modules be carried out, along with the sub-sample variables, throughout the entire year, and for one-sixth of the sample.

Therefore, as of 2006, in Spain the questionnaire corresponding to the module is included throughout the year, in each sixth interview, which is where the information on the sub-sample variables is collected.

In 2006, the subject researched was *leaving the labour market and making the transition towards definitive retirement*, in accordance with what is indicated in Commission Regulation 388/2005 of 8th March 2005. The questions are aimed at persons aged 50 to 69 who either are employed or if not, have worked since turning 49.

2. Survey design and fieldwork

The sample design of the ad hoc module concerning *leaving the labour market and making the transition towards definitive retirement* coincides with that of the EAPS, as they are carried out together, for one-sixth of the quarterly sample, throughout the year. The most important characteristics therein are described below (for greater detail, see the publications of the National Statistics Institute *EAPS. Technical manual* and *EAPS. Survey description, definitions and instructions for completing the questionnaire*).

The EAPS is a continuous, quarterly sample survey that encompasses the entire national territory. It is aimed at the population that resides in main family dwellings, that is to say, those used throughout the whole year or most of it, as the habitual and permanent dwelling. Neither group households (hospitals, residences, barracks, convents,...) nor secondary or seasonal dwellings are included in the survey.

This has a stratified, two-stage sampling, the census sections being the units in the first stage and the family dwellings in the second. All persons living in the selected dwellings are included in the survey.

The sample size is 3,588 sections; an average of 18 dwellings are interviewed per section, which implies some 65,000 dwellings per quarter.

The sample has been distributed spatially, following a compromising allocation between uniform and proportional, for the purpose of giving estimates by province (NUTS 3) and by Autonomous Community (NUTS 2).

In contrast, the sample is uniformly distributed along the thirteen weeks that comprise each quarter, interviewing some 5,000 dwellings each week.

The sample of sections is divided into 6 sub-samples called rotation shifts, and each quarter, the dwellings of one rotation shift are replaced; with this mechanism, each family is interviewed for six consecutive quarters, and is replaced by another family from the same section at the end of the six-quarter period.

The fieldwork is carried out by the interviewers that the National Statistics Institute has in each of its 52 delegations. The first interview is personal, and the second and subsequent interviews are by telephone, unless the family does not have a telephone or prefers personal interviews.

The personal interviews are carried out in each of the 52 delegations, while the telephone interviews are carried out in 7 delegations where the CATI (Computer Assisted Telephone Interviewing) centres are located. All of the interviews are carried out with a laptop or desktop computer. The delegation work system is weekly, and basically proceeds as follows:

- Week for interview
- Week for revision and refinement
- Week for sending the questionnaires to Central Services (by teleprocessing)

In December 2006 an Internet link was created, allowing for the provincial delegations to consult the module questions and the instructions for their completion.

The fieldwork was carried out between 9th January 2006 and 6th January 2007, corresponding to the reference period between 2nd January 2006 and 30th December of the same year.

The sample size and the lack of response are presented in Table 1.

Table 1. Sample size and lack of response in sixth interviews throughout the four quarters of 2006.

	Total	
	Absolute value	Percentage
Initial sample	44,737	100.00
Refusals	3,392	7.58
Absences	4,143	9.26
Unavailable	735	1.64
Total lack of response	8,270	18.49
Original interviewed sample	36,467	81.51

The sample that was finally interviewed consisted of 36,467 dwellings. Nonetheless, of these, and due to the centralised treatment, 21 were discarded, yielding the composition of the real sample as presented in Table 2.

Table 2. Real interviewed sample in sixth interviews

	Total	
	Absolute value	Percentage
Original interviewed sample	36,467	100.00
Sample loss due to centralised treatment	21	0.06
Real interviewed sample	36,446	99.94

Regarding the 21 discarded dwellings, these are exceptional cases that, due to the assignation of a mistaken dwelling number or to duplicated information, are discarded in the refinement process prior to the preparation of the final file.

The sample of persons susceptible to answering the module totals 16,662. Of them, 27 do not have information in the module variables because the filtering conditions changed after the collection, due to the refinement of the survey in order to eliminate inconsistencies among variables. That is to say that, at the moment of the interview, those 27 registers did not fulfil the conditions necessary for requesting information from the module, and therefore were not obtained.

Thus, the number of persons who finally completed the module came to a total of 16,635.

3. Questionnaire

Leaving the labour market and making the transition towards definitive retirement module

(Persons aged 50 to 69 who either are employed, or if not, have worked since turning 49)

I am going to ask you about aspects of your professional life related with the transition from working to definitive retirement.

1. In total, and throughout your professional life, how many years have you worked for pay?

Indicate approximately the total of all of the years that you believe to have worked for pay
(Interviewer: Write '00' if you 'Do not know', and '01' in the case of '1 year or less')

2. Do you receive some kind of retirement pension (even if it is early, flexible or partial retirement)?

- Yes

1

- No

6 | Proceed to M4

- I do not know

0 | Proceed to the Box before M5

3. At what age did you receive your first retirement pension?

(Interviewer: Write '00' if you 'Do not know')

| Proceed to the Box before M5

4. If you do not receive a retirement pension, do you have the right to receive one (be it early or partial retirement)?

- Yes

1

- No

6

- I do not know

0

For employed persons

→ All others proceed to the Box before M15

5. Have you considered at exactly what age you will totally and definitively finalise your paid labour activity?

- Yes

1

- No

6 | Proceed to M7

- I do not know

0 | Proceed to the Box before M8

6. At what age will you do so?

| Proceed to the Box before M8

7. Even if you have not considered at exactly what age you will totally and definitively stop working, do you have an approximate idea of when you will do so?

- Yes, I will totally and definitively stop working before turning 60

1

- Yes, I will totally and definitively stop working between the ages of 60 and 64 (both included)

2

- Yes, I will totally and definitively stop working at the age of 65.

3

- Yes, I will work as long as I am able

4

| Proceed to the Box before M8

- No, I do not have an approximate idea of when I will totally and definitively stop working.

5

- I do not know

0

For M3 other than blank or M4 = 1

→ All others, proceed to M9

8. What is your main reason for continuing to work?

- To provide sufficient income for the household 1
- To increase the rights to receive a retirement pension 2
- Non-economic reasons 3
- I do not know 0

9.- As a measure for making a gradual transition towards definitive retirement, have you reduced your working hours?

- Yes 1 | Proceed to M11
- No 6
- I do not know 0 | Proceed to the Box before M12

10.- Regardless, do you plan to reduce them over the next 5 years?

- Yes 1
- No 2
- I have not made plans for the next 5 years, or they are not relevant (for example, persons with an unsure job or whose contract expires in the coming months) 3 | Proceed to the Box before M12
- I do not know 0

11.- Have you adopted a flexible or partial retirement system?

- Yes 1
- No 6
- I do not know 0

Next, I am going to ask you if some factors contribute or may contribute to prolonging your time working.

12. Does a greater schedule flexibility contribute, or may it contribute to prolonging your professional life?

- Yes 1
- No 6
- I do not know 0

13. Does ongoing training to update your knowledge and labour skills contribute, or may it contribute to prolonging your professional life?

- Yes 1
- No 6
- I do not know 0

14. Do improvements in safety, health and hygiene conditions at work contribute, or may they contribute to prolonging your professional life?

- Yes 1
- No 6
- I do not know 0

End of Module

D1<>1

→ All others, proceed to M16

15. Do you intend to return to work?

- Yes 6
- No 1
- I do not know 0

Proceed to the Box before M19

Proceed to the Box before M19

16. Have you considered at exactly what age you will totally and definitively finalise your paid labour activity?

- Yes 1
- No 6
- I do not know 0

Proceed to M18

Proceed to the Box before M19

17. At what age will you do so?

Proceed to the Box before M19

18. Even if you have not considered at exactly what age you will totally and definitively stop working, do you have an approximate idea of when you will do so?

- Yes, I will totally and definitively stop working before turning 60 1
- Yes, I will totally and definitively stop working between the ages of 60 and 64 (both included) 2
- Yes, I will totally and definitively stop working at the age of 65. 3
- Yes, I will work as long as I am able 4
- No, I do not have an approximate idea of when I will totally and definitively stop working. 5
- I do not know 0

Next, I am going to ask you about your last paid job or business.

19. Which of the following situations were you in after leaving your last job or business?

- Unemployment (available and seeking work) 1
- Pre-retirement 2
- Retirement or Early retirement 3
- Disease or Disability 4
- Other situations 5
- I do not know 0

Proceed to M21

Proceed to M21

20. What was your main reason for retirement or early retirement?

- Loss or disappearance of the post 1
- Reaching the legal age of retirement 2
- Disease or Disability 3
- Responsibilities for the care of other persons 4
- Problems related to the post 5
- Incentives or favourable economic conditions for retirement 6
- Reasons for retiring other than those above 7
(Includes persons who have reached the minimum age for retirement, though not 65 years of age, and who could have continued working but preferred to stop)
- Other reasons 8
- I do not know 0

21.- As a measure for making a gradual transition towards definitive retirement, have you reduced your working hours?

- Yes 1 | Proceed to M23
- No 6
- I do not know 0 | Proceed to the Box before M24

For M15 = 6 or 0

→ All others proceed to the Box before M24

22.- Nonetheless, if you were employed, would you consider reducing your working hours in the next 5 years?

- Yes 1
 - No 2
 - No, I have not made plans for the next 5 years, or they are not relevant (for example, unemployed persons) 3
 - I do not know 0
- | Proceed to the Box before M24

23.- Did you adopt a flexible or partial retirement system?

- Yes 1
- No 6
- I do not know 0

Next, I am going to ask you if some factors may have contributed to having remained working longer.

24. Would a greater schedule flexibility have contributed to prolonging your professional life?

- Yes 1
- No 6

- I do not know 0

25. Would ongoing training to update your knowledge and labour skills have contributed to prolonging your professional life?

- Yes 1

- No 6

- I do not know 0

26. Would improvements in safety, health and hygiene conditions at work have contributed to prolonging your professional life?

- Yes 1

- No 6

- I do not know 0

27. Aside from the retirement pension and unemployment benefits, do you receive any pension or benefit due to disability, temporary disability or pre-retirement assignment?

- Yes, a pension due to disability or a benefit due to temporary disability 1

- Yes, a pre-retirement assignment 2

- Yes, another type of benefit 3

- Yes, a combination of the aforementioned pensions and benefits 4

- No 5

- I do not know 0

End of Module

4. Instructions for completing the questionnaire

Leaving the labour market and making the transition towards definitive retirement module (Economically Active Population Survey 2006)

A INTRODUCTION

Until 2005, in the second quarter of each year, the Economically Active Population Survey included a series of questions on specific issues linked to the labour market. As of 2006, these questions are included throughout the year, but for only one-sixth of the sample, specifically those dwellings represented in each sixth interview. The said questions are included in what is known as *Ad Hoc Module*, which is carried out in coordination with the Labour Force Surveys of other European Union countries, as is indicated in Regulation 577/98 of the Council regarding the organisation of a survey on the active population in the Community (European Community Official Bulletin L-77, on 14th March).

The meeting of the European Council held in March of 2001 in Stockholm concluded with the goal of increasing the average employment rate for persons aged 55 to 64 in the EU countries to 50% before the year 2010. Likewise, one of the objectives set by the Council of Laeken in December of 2001 was to prolong professional life in order to contribute to the economic maintenance of pensions.

In the meeting held in Barcelona in March of 2002, the European Council approved the policy to develop in order to achieve the Stockholm objective and concluded "*before 2010, to seek a progressive increase of about 5 years in the effective average age at which persons stop working in the EU (in 2001, estimated to be 59.9 years of age)*".

The report of the Commission and the Council on the "Increase in participation in the labour market and promotion of active ageing", adopted by the European Council in its meeting in Barcelona in March of 2002, provides a life-cycle focus in order to guarantee that the generations of current and future workers will remain active as they age, and express ways to increase and prolong the participation of the current older workers.

It proposes the development and application, by the Member States, of general strategies in five areas:

- More and better quality employment: a safe, attractive and adaptable work environment, facilitating the gradual transition towards retirement, through the provision, for example, of part-time work.
- Work for pay: substitute early retirement incentives for experienced workers with compensation for prolonging their professional lives.
- Training at work: the troublesome gap existing between the young and the elderly when receiving training related to their work, leads to the need to increase education and training for adults, above all those aged 55 to 64.

- Avoiding labour discrimination: public employment should set an example, providing work for older workers, and directly combating the negative attitudes of businessmen.
- Support of businessmen and social agents: joint initiatives are needed to improve organisation and labour conditions so as to keep workers working longer.

The joint report of the Commission and the Council on the "Appropriateness and sustainability of pensions" adopted by the European Council in March of 2003 concludes that the prolonging of professional life represents an important means towards increasing the general employment rates and, in this way, an important contribution towards improving financial maintenance in a context of demographic ageing. The report focuses on the economic incentives for early retirement and on the need to review the effects of the incentives on the benefit systems, for the purpose of making them more favourable for employment.

In line with those objectives, the *Ad Hoc Module*, which is carried out with one-sixth of the sample corresponding to the households in the sixth interviews and throughout the four quarters of the year 2006, the subject to be researched is that of *definitively leaving the labour market and making the transition towards total and definitive retirement*.

Employment Guidelines 2003 places the Member States in charge of the promotion of active ageing, primarily supporting labour conditions that lead to longevity in the workplace -- such as access to ongoing training, recognition of the particular importance that safety and hygiene have at work, flexible and innovative forms of labour organisation -- and eliminating incentives for early departure from the labour market, fundamentally reforming the early retirement schemes and guaranteeing payment for remaining active, and encouraging businessmen to hire older workers.

The main objectives of Module 2006 are:

1. To know how the transition towards total and definitive retirement at the end of the professional career will be, is and was:
 - Transition plans/actions carried out in order to reach total and definitive retirement
 - Plans for leaving the labour market (definitively ceasing paid work).
2. To know which factors will, do or have influenced in determining the departure time from the labour market and which factors might, do or could have made persons postpone said departure:
 - Labour conditions (health and safety in the workplace, work agreements on flexible shifts, etc.)
 - Other factors related to work (training, lack of preparation in new technologies, etc.)

- Financial factors (economic incentives to continue working or to stop working)
- Personal factors (health, family reasons, etc.).

Finally, it is important to remember that the general EAPS provides information on structural labour factors (economic activity, occupation, etc.) for persons who stopped working 8 or fewer years ago.

B OBJECT POPULATION OF THE MODULE

The module is aimed at **all** those persons aged **50 to 69** and **who either are employed or if not, have worked since turning 49**.

C INSTRUCTIONS FOR COMPLETING THE QUESTIONNAIRE

Annex I includes the paper version of the questionnaire. Next in this section are the instructions for completing it

Annex II proposes several examples so as to clarify the content of some questions. In case of doubt, one can contact the department promoting the survey.

Those who will answer the questionnaire are persons aged 50 to 69 who either are employed, or if not, have worked since turning 49.

In addition to this general filter, specific additional filters affecting each of the questions are indicated with them.

Next, I am going to ask you about aspects of your professional life related with the transition from working to definitive retirement.
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1. In total, and throughout your professional life, how many years have you worked for pay?

Indicate approximately the total of all of the years that you believe to have worked for pay.

(Interviewer: Write '00' if you 'Do not know', and '01' in the case of '1 year or less')

□□

All persons who comply with the general filter will answer this question.

Try to measure, approximately, the duration of your professional life.

In a certain sense, this is a subjective interpretation of a self-assessment, which allows for obtaining an approximate idea of the duration of professional life. Thus, we accept an approximate measurement when one does not know the exact duration.

We should register the number of years that the person has worked for pay, from the beginning of the first significant employment, whether it was working for others or as a self-employed worker.

The following are not considered a first significant employment:

- Temporary jobs carried out by students during vacations, after which they return to their studies or other non-occupied situations
- Occasional jobs carried out once in a while
- Part-time jobs that the person carried out simultaneously while studying at School or University

Excluded periods include those in which professional life is interrupted (such as carrying out one's military service) as well as sabbaticals to take care of children. Periods in which professional life is interrupted include neither paternity/maternity leave nor temporary disability.

When a person had a job but was temporarily absent due to maternity leave, sick or accident leave, temporary disability, employment regulation due to technical or economic reasons, etc., the corresponding period should be included.

2. Do you receive some kind of retirement pension (even if it is early, flexible or partial retirement)?

- | | | |
|-----------------|---|---|
| - Yes | 1 | <input type="checkbox"/> |
| - No | 6 | <input type="checkbox"/> Proceed to M4 |
| - I do not know | 0 | <input type="checkbox"/> Proceed to the Box before M5 |

All persons who comply with the general filter will answer this question.

The goal is to ascertain whether or not the person receives a retirement pension.

By 'retirement pension', we mean that which is directly received.

Thus, those payments derived from rights are excluded:

- Health Care
- Temporary or permanent disability
- Risk during pregnancy or maternity
- Non-disabling permanent injuries
- Death and survival: pension or subsidy in favour of family members, widow(er)'s pension, orphan pension, bereavement aid, fixed price special compensation (in the cases of occupational accident or illness)
- Family benefits: for dependent children, for birth of third or subsequent children, for multiple birth, non-financial benefit
- Unemployment benefits,
- School insurance benefits,

- Obligatory Old Age and Disability Insurance benefits (OOADI: protection scheme existing prior to the present Social Security system): Disability OOADI, Widowhood OOADI.

The following are included in the definition of "retirement pension":

- Ordinary retirement pension:

Periodical payment that attempts:

- o To maintain the income of the beneficiary after retiring from paid work at the legal age (generally 65 years old, though for some groups, this can be earlier)
- o To sustain and support the income of elderly persons, who might have worked.

- Early retirement pension:

Periodical payment that attempts to maintain the income of the beneficiary who retires from paid work before turning 65 years of age. This may or may not imply a reduction of the normal pension. In the current Social Security system, one can only voluntarily opt for an early retirement pension if one has paid contributions prior to January 1967 or if the cause of the retirement from work cannot be attributable to the free will of the worker. (R.D. 1132/2002, art. 1.4)

- Partial retirement pension:

Periodical payment of a part of the total retirement pension to salaried workers who are at least 60 years old and who continue to work but have reduced their working hours (part-time contract). If this takes place before the legal retirement age (65 years old), the company will simultaneously sign a relief contract with another worker who is unemployed or has a temporary contract. If this takes place when the person is 65 years old, a relief contract will not be necessary. The partial pension becomes a total pension when the beneficiary retires completely. It applies to all Social Security Schemes, except the special Schemes of the State Civil Servants, the Armed Forces and the personnel serving the Justice Administration (1st Additional Disposition of Royal Decree 1132/2002, of 21st October).

- Flexible retirement pension:

Periodical payment of the proportional part of the total retirement pension to older workers who combine the retirement pension, once it has been caused, with a part-time contract. It applies to all Social Security Schemes, except the special Schemes of the State Civil Servants, the Armed Forces and the personnel serving the Justice Administration. (1st Additional Disposition of Royal Decree 1132/2002, of 21st October).

The following are excluded from the definition of "retirement pension":

- Disability pension:

Periodical payment that workers receive before reaching the legal retirement age, having ceased their labour activity as a result of the reduction of their ability to work, by which the goal is to maintain or support the income of the beneficiary who suffers from a disability.

There are different types of pension, depending on the level of disability that the worker suffers from:

- Permanent partial disability to perform the regular profession, is that which causes the worker a decrease in his/her ability to work that amounts to no less than 33% of the normal yield of his/her profession.
 - Permanent total disability to perform the regular profession, is that which disables the worker from carried out all or the fundamental tasks of his/her profession, so long as he/she can still work in another profession.
 - Permanent absolute disability for all work is that which disables the worker completely from performing any profession or trade.
 - Major Disability, is the situation of a worker affected by a permanent disability who requires the assistance of another person in order to carry out the most essential acts in life.
- Financial benefit prior to retirement for labour market reasons:

Periodical payment to older workers who cease their labour activity before reaching the legal age (generally, 65 years old) as a result of unemployment or the reduction of work caused by economic measures such as the restructuring of an industrial sector or a company. The commonly-named early retirements are listed under this heading. Normally, these payments cease when the beneficiary reaches the right to a retirement pension.

In the module context "**Pre-retirement**" is considered as the situation in which the worker complies with all of the following conditions:

- has ceased his/her labour activities due to labour market reasons
- is receiving a financial allocation that is not considered to be a retirement pension
- has not yet reached the legal age required to request a retirement pension

3. At what age did you receive your first retirement pension?
(Interviewer: Write '00' if you 'Do not know')

| Proceed to the Box before M5

This question is aimed at persons who receive a retirement pension, that is, those who marked *Code 1* in question M2.

Attempt to ascertain the age at which the person received his/her first pension. As a result, if the person receives several retirement pensions, the only one considered will be the first one received.

This age could be compared with the age upon leaving work and could provide information on financial aspects.

4. If you do not receive a retirement pension, do you have the right to receive one (be it early or partial retirement)?

- Yes 1
- No 6
- I do not know 0

Those persons who do not receive a retirement pension, that is, those who marked *Code 6* in question M2, will answer this question.

The goal is to ascertain, among the persons who do not receive a pension, how many persons have the right to one, and how many persons do not have said right.

Code 1 will be marked when the person, at the time of the interview, would have the right to receive a retirement pension but does not receive one because he/she wants to wait in order to increase the payment of the future retirement pension.

Code 6 will be marked when the person, at the time of the interview, is in one of the following two situations:

- He or she still does not have the right to receive a retirement pension (due to age or any other factor), but has contributed or is contributing so as to receive one in the future.
- He or she has not contributed to earn the right to a retirement pension, did not do so in the past and is not doing so currently.

5. Have you considered at exactly what age you will totally and definitively finalise your paid labour activity?

- Yes 1
- No 6 | Proceed to M7
- I do not know 0 | Proceed to the Box before M8

Employed persons will answer this question.

The goal is to ascertain whether or not the person has considered the exact age at which he or she will definitively stop working, with the intention of never returning to the labour market.

6. At what age will you do so? | Proceed to the Box before M8

Employed persons who have considered at what age they will retire and who, therefore, have marked *Code 1* in question M5 will answer this question.

7. Even if you have not considered at exactly what age you will totally and definitively stop working, do you have an approximate idea of when you will do so?

- | | | | |
|---|---|--------------------------|-----------------------------------|
| Yes, I will totally and definitively stop working before turning 60 | 1 | <input type="checkbox"/> | } Proceed to the Box
before M8 |
| - Yes, I will totally and definitively stop working between the ages of 60 and 64 (both included) | 2 | <input type="checkbox"/> | |
| - Yes, I will totally and definitively stop working at the age of 65. | 3 | <input type="checkbox"/> | |
| - Yes, I will work as long as I am able | 4 | <input type="checkbox"/> | |
| - No, I do not have an approximate idea of when I will totally and definitively stop working. | 5 | <input type="checkbox"/> | |
| - I do not know | 0 | <input type="checkbox"/> | |

Employed persons who have not considered at what age they will retire or who, having considered it, do not know at exactly what age they will do so, will answer this question. They are therefore persons who have marked *Code 6* in question M5.

Attempt to get an idea of the age at which the person plans to stop working definitively, with the intention of never returning to the labour market.

The following persons will mark *Code 1*:

- Workers affiliated to the Special Scheme for Coal Miners or the Special Scheme for Seafarers who wish to retire before the age of 60, as they have the legal right to do so.
- Workers who plan to pre-retire before the age of 60 by virtue of an agreement reached with their company.
- Workers who wish to stop working before the age of 60, although the moment for retirement may not yet have arrived, with the essential requirement that they have no intention of returning to work.

When the person has considered the age of his/her future retirement but does not know yet when s/he will truly do so, although s/he plans to prolong working life as long as possible, s/he will mark *Code 4*.

When the person has not considered the age of his/her future retirement at all, s/he will mark *Code 0*.

For M3 other than blank or M4 = 1 → All others, proceed to M9

8. What is your main reason for continuing to work?

- | | | |
|--|---|--------------------------|
| - To provide sufficient income for the household | 1 | <input type="checkbox"/> |
| - To increase the rights to receive a retirement pension | 2 | <input type="checkbox"/> |
| - Non-economic reasons | 3 | <input type="checkbox"/> |
| - I do not know | 0 | <input type="checkbox"/> |

Employed persons who receive a pension or who do not receive one but have a right to receive one, will answer this question.

Try to ascertain the main economic incentive for continuing to work.

When the reason is to tend to the current economic needs of the household, s/he will mark *Code 1*.

When the reason is to increase the future retirement pension, s/he will mark *Code 2*. For example, when the person fulfils the requirements to apply for early retirement but prefers to wait until s/he reaches the legal retirement age in order to enjoy a larger pension.

When the person is truly unable to choose from *Codes 1, 2 and 3*, s/he will mark *Code 1* (the first *Code* of the list).

9.- As a measure for making a gradual transition towards definitive retirement, have you reduced your working hours?

- | | | |
|-----------------|----------------------------|-------------------------------|
| - Yes | 1 <input type="checkbox"/> | Proceed to M11 |
| - No | 6 <input type="checkbox"/> | |
| - I do not know | 0 <input type="checkbox"/> | Proceed to the Box before M12 |

Employed persons will answer this question.

Try to ascertain if the persons made or are gradually making the transition towards retirement.

- When the person has worked part-time throughout or at some point during his/her professional life, granted that this was not a measure taken to prepare for the moment of retirement, s/he will mark *Code 6*.
- In the specific case of the person who worked with a classical part-time scheme and who then has followed a progressive retirement scheme as a means towards total retirement, s/he will mark *Code 1*.

10.- Regardless, do you plan to reduce them over the next 5 years?

- | | | |
|---|----------------------------|-------------------------------|
| - Yes | 1 <input type="checkbox"/> | Proceed to the Box before M12 |
| - No | 2 <input type="checkbox"/> | |
| - Has not made plans for the next 5 years, or they are not relevant (for example, persons with an unsure job and whose contract expires in the coming months) | 3 <input type="checkbox"/> | |
| - I do not know | 0 <input type="checkbox"/> | |

Employed persons who have not, or have not yet, reduced their working hours as a transitional measure towards retirement.

Try to ascertain whether the persons consider making a gradual transition towards retirement.

This variable does not refer only to current/past work. We must also consider whether s/he plans to reduce his/her working hours in the event that s/he were to take another job in the future.

- When the persons do not plan to do so in the next 5 years because they cannot (for *example*, due to a lack of possibilities in covering their post), s/he will mark *Code 2*.
- In the case of unemployed persons, persons who will stop working in the coming months, or those who have an unsure job, they will mark *Code 3*.

11.- Have you adopted a flexible or partial retirement system?

- | | | |
|-----------------|---|--------------------------|
| - Yes | 1 | <input type="checkbox"/> |
| - No | 6 | <input type="checkbox"/> |
| - I do not know | 0 | <input type="checkbox"/> |

Employed persons who have reduced their working hours as a transitional measure towards total retirement, that is, those who marked *Code 1* in M9, will answer this question.

The progressive retirement systems were established to keep those older workers who wish to stay active but lessen their working hours, from definitively leaving the labour market. This can take place before or after retiring, and in the latter case implies a "re-entry" into the labour market. The two possibilities that currently exist are partial retirement and flexible retirement.

- Partial retirement:

It applies to those salaried workers who are at least 60 years old and who still work, but have reduced their working hours (part-time contract). When this situation occurs between the ages of 60 and 65, the company is obligated to simultaneously arrange a relief contract with an unemployed or temporary worker. The worker who partially retires receives the salary that corresponds to his/her part-time contract in addition to the partial pension, which is a proportional part of his/her total pension. When the beneficiary retires completely, the partial pension is substituted by the total pension. It applies to all Social Security Schemes, except the special Schemes of the State Civil Servants, the Armed Forces and the personnel serving the Justice Administration (1st Additional Disposition of Royal Decree 1132/2002, of 21st October).

- Flexible retirement:

This covers those older workers who, once retired, combine the retirement pension with a part-time contract. It applies to all Social Security Schemes, except the special Schemes of the State Civil Servants, the Armed Forces

and the personnel serving the Justice Administration (1st Additional Disposition of Royal Decree 1132/2002, of 21st October).

These workers receive their salary from the part-time contract and a proportional part of their total retirement pension. When the beneficiary retires completely, s/he will receive the total retirement pension.

When the person is in a partial or flexible retirement situation, s/he will mark *Code 1*.

All other cases will mark *Code 6*.

Next, I am going to ask you if any factors contribute or might contribute to prolonging your professional life.

12. Does a greater schedule flexibility contribute, or may it contribute to prolonging your professional life?

- | | | |
|-----------------|---|--------------------------|
| - Yes | 1 | <input type="checkbox"/> |
| - No | 6 | <input type="checkbox"/> |
| - I do not know | 0 | <input type="checkbox"/> |

Occupied persons will answer this question.

Attempt to ascertain the labour factors that may have contributed or might contribute to the person having continued or continuing to work longer. Try to find out if improving those labour factors may have or might encourage the person to postpone definitive departure from work.

"Yes" and "To a certain point" answers will be marked in the same answer category: this means that said aspect could have contributed/could contribute to the person having continued/continuing to work longer. In other words, it may not be the only factor, but if it were one of the factors, it should be marked *Code 1*.

"Labour agreements or contracts with the greatest schedule flexibility" include the possibility of reducing working hours, teleworking, schedule changing, etc.

13. Would ongoing training to update your knowledge and labour skills contribute, or may it contribute to prolonging your professional life?

- Yes 1
- No 6
- I do not know 0

Employed persons will answer this question.

Attempt to ascertain the labour factors that may have contributed or might contribute to the person having continued or continuing to work longer. Try to find out if improving those labour factors may have or might encourage the person to postpone definitive departure from work.

"Yes" and "To a certain point" answers will be marked in the same answer category: this means that said aspect could have contributed/could contribute to the person having continued/continuing to work longer. In other words, it may not be the only factor, but if it were one of the factors, it should be marked *Code 1*.

14. Do improvements in safety, health and hygiene conditions at work contribute, or may they contribute to prolonging your professional life?

- Yes 1
 - No 6
 - I do not know 0
- | End of Module

Employed persons will answer this question.

Attempt to ascertain the labour factors that may have contributed or might contribute to the person having continued or continuing to work longer. Try to find out if improving those labour factors may have or might encourage the person to postpone definitive departure from work.

"Yes" and "To a certain point" answers will be marked in the same answer category: this means that said aspect could have contributed/could contribute to the person having continued/continuing to work longer. In other words, it may not be the only factor, but if it were one of the factors, it should be marked *Code 1*.

15. Do you intend to return to work?

- Yes 6
- No 1 | Proceed to the Box before M19
- I do not know 0 | Proceed to the Box before M19

Unemployed persons who worked after turning 49 years old or more, who also verify that they have not sought employment in the last 4 weeks, will answer this question.

Attempt to ascertain how many persons will not return to a paid activity and how many persons will.

16. Have you considered at exactly what age you will totally and definitively finalise your paid labour activity?

- Yes 1
- No 6 | Proceed to M18
- I do not know 0 | Proceed to the Box before M19

Unemployed persons who worked after turning 49 years or more and who have not definitively left the labour market, that is, who have marked *Code 6* for question M9, will answer this question.

Try to ascertain whether the person has considered the exact age at which s/he will retire.

17. At what age will you do so? | Proceed to the Box before M19

Unemployed persons who worked after turning 49 years or more and who, not having definitively left the labour market, have considered at what age they will retire, and therefore, have marked *Code 1* for question M16.

18. Even if you have not considered at exactly what age you will totally and definitively stop working, do you have an approximate idea of when you will do so?

- Yes, I will totally and definitively stop working before turning 60 1
- Yes, I will totally and definitively stop working between the ages of 60 and 64 (both included) 2
- Yes, I will totally and definitively stop working at the age of 65. 3
- Yes, I will work as long as I am able 4
- No, I do not have an approximate idea of when I will totally and definitively stop working 5
- I do not know 0

Unemployed persons who worked after turning 49 or more and, not having definitively left the labour market, have not considered at what age they will retire or, having considered at what age they will retire, do not know at exactly what age they will do so. They are therefore persons who have marked *Code 6* for question M16.

Attempt to get an idea of the age at which the person plans to retire definitively, with the intention of never returning to the labour market.

When dealing with persons who, at the time of retirement, expect to be affiliated with the Special Scheme for Coal Miners or the Special Scheme for Seafarers, *Code 1* will be marked.

When the person has considered the age of his/her future retirement but does not know yet when s/he will truly do so, although s/he plans to prolong working life as long as possible, s/he will mark *Code 4*.

When the person has not considered the age of his/her future retirement at all, s/he will mark *Code 0*.

Next, I am going to ask you about your last paid job or business.

19. Which of the following situations were you in after leaving your last job or business?

- | | | | | |
|---|---|--------------------------|--|----------------|
| - Unemployment (available and seeking work) | 1 | <input type="checkbox"/> | | Proceed to M21 |
| - Pre-retirement | 2 | <input type="checkbox"/> | | |
| - Retirement or Early retirement | 3 | <input type="checkbox"/> | | |
| - Disease or Disability | 4 | <input type="checkbox"/> | | Proceed to M21 |
| - Other situations | 5 | <input type="checkbox"/> | | |
| - I do not know | 0 | <input type="checkbox"/> | | |

Unemployed persons who worked after turning 49 or more, will answer this question.

Attempt to ascertain the different possibilities that different countries offer for the transition from work to retirement, evaluating the situation right after leaving one's last job.

This is a self-perception.

"Last job or business" means "the last time that the person worked".

All codes can be used for ex-employees or ex-self-employed workers.

20. What was your main reason for retirement or early retirement?

- Loss or disappearance of the post 1
- Reaching the legal age of retirement 2
- Disease or Disability 3
- Responsibilities for the care of other persons 4
- Problems related to the post 5
- Incentives or favourable economic conditions for retirement 6
- Reasons for retiring other than those above 7
(This includes persons who have reached the minimum retirement age, though not 65 years old, and who could have continued working but preferred to stop)
- Other reasons 8
- I do not know 0

Persons who marked *Code 3* for question M19 will answer this question.

Try to ascertain the main factor that encourages the person to stop working (economic, personal or legal, etc.), using answer categories more geared towards older workers.

The reason at the time of leaving one's last job or business (after the last time that the person worked) should be entered.

Code 1 does not include the case in which the person voluntarily quits his/her job.

When the person is obligated to stop working because s/he has reached that age (in general, upon turning 65), s/he will mark *Code 2*.

When the person had to care for children or dependent persons (for *example*, due to a lack of care services), s/he will mark *Code 4*.

Code 5 includes types of work schedule, tasks, health and safety, work stress, excess demands, inadequate or undervalued knowledge, businesspersons' attitudes, etc.

Code 6 includes economic conditions for early retirement, voluntarily leaving work, compensations from employers, early termination of contract by mutual agreement and other early retirement schemes, etc.

When the person prefers to leave his/her work due to personal or family matters, to not needing to work or to preferring not to work, etc., s/he will mark *Code 7*. This code also includes those persons who reached the minimal or standard retirement age (but not the maximum or legal age) and who therefore could have continued to work but preferred to leave work definitively.

If the interviewee is truly unable to choose the "main reason", s/he will mark the first of the application codes in the order in which they appear on the list (the first codes refer more to "obligations" and the last codes to "preferences").

21.- As a measure for making a gradual transition towards definitive retirement, have you reduced your working hours?

- Yes 1 | Proceed to M23
- No 6
- I do not know 0 | Proceed to the Box before M24

Unemployed persons who worked after turning 49 or more, will answer this question.

Try to ascertain whether the persons made the transition towards retirement gradually.

- When the person worked part-time throughout or at some point during his/her professional life, granted that this was not a measure taken to prepare for the moment of retirement, s/he will mark *Code 6*.
- In the specific case of the person who worked with a classical part-time scheme and who then has followed a progressive retirement scheme as a means towards total retirement, s/he will mark *Code 1*.

For M15 = 6 or 0

→ All others proceed to the Box before M24

22.- Nonetheless, if you were employed, would you consider reducing your working hours in the next 5 years?

- Yes 1 |
- No 2 |
- No, I have not made plans for the next 5 years, or they are not relevant (for example, unemployed persons) 3 | Proceed to the Box before M24
- I do not know 0 |

Unemployed persons who have not definitively left the labour market will answer this question.

Try to ascertain whether the persons, in the case that they have a job, plan to make the transition towards retirement gradually.

- When a person plans to work in the future in another job, reducing his/her working hours as compared to his/her previous job, s/he will mark *Code 1*.
- When the persons do not intend to do so in the next 5 years because they cannot do so, they will mark *Code 2*.
- In the case of unemployed persons who have not made plans regarding possible future employment, they will mark *Code 3*.

23.- Did you adopt a flexible or partial retirement system?

- | | | |
|-----------------|---|--------------------------|
| - Yes | 1 | <input type="checkbox"/> |
| - No | 6 | <input type="checkbox"/> |
| - I do not know | 0 | <input type="checkbox"/> |

Unemployed persons who, when they were employed, reduced their working hours as a transitional measure towards total retirement, that is, those who marked *Code 1* for M21, will answer this question.

The progressive retirement systems were established to keep those older workers who wish to stay active but lessen their working hours, from definitively leaving the labour market. This can take place before or after retiring, and in the latter case implies a "re-entry" into the labour market. The two possibilities that currently exist are partial retirement and flexible retirement

- Partial retirement:

It applies to those salaried workers who are at least 60 years old and who still work, but have reduced their working hours (part-time contract). When this situation occurs between the ages of 60 and 65, the company is obligated to simultaneously arrange a relief contract with an unemployed or temporary worker. The worker who partially retires receives the salary that corresponds to his/her part-time contract in addition to the partial pension, which is a proportional part of his/her total pension. When the beneficiary retires completely, the partial pension is substituted by the total pension. It applies to all Social Security Schemes, except the special Schemes of the State Civil Servants, the Armed Forces and the personnel serving the Justice Administration (1st Additional Disposition of Royal Decree 1132/2002, of 21st October).

- Flexible retirement:

This covers those older workers who, once retired, combine the retirement pension with a part-time contract. It applies to all Social Security Schemes, except the special Schemes of the State Civil Servants, the Armed Forces and the personnel serving the Justice Administration (1st Additional Disposition of Royal Decree 1132/2002, of 21st October).

These workers receive their salary from the part-time contract and a proportional part of their total retirement pension. When the beneficiary retires completely, s/he will receive the total retirement pension.

When the person is in a partial or flexible retirement situation, s/he will mark *Code 1*.

All other cases will mark *Code 6*.

Next, I am going to ask you if some factors may have contributed to having remained working longer.

24. Would a greater schedule flexibility have contributed to prolonging your professional life?

- Yes 1
- No 6
- I do not know 0

Unemployed persons will answer this question.

Attempt to ascertain the labour factors that may have contributed or might contribute to the person having continued or continuing to work longer. Try to find out if improving those labour factors may have encouraged or might encourage the person to postpone definitive departure from work.

"Yes" and "To a certain point" answers will be marked in the same answer category: this means that said aspect could have contributed/could contribute to the person having continued/continuing to work longer. In other words, it may not be the only factor, but if it were one of the factors, it should be marked *Code 1*.

"Labour agreements or contracts with the greatest schedule flexibility" include the possibility of reducing working hours, teleworking, schedule changing, etc.

25. Would ongoing training to update your knowledge and labour skills have contributed to prolonging your professional life?

- Yes 1
- No 6
- I do not know 0

Unemployed persons will answer this question.

Attempt to ascertain the labour factors that may have contributed or might contribute to the person having continued or continuing to work longer. Try to find out if improving those labour factors may have encouraged or might encourage the person to postpone definitive departure from work.

"Yes" and "To a certain point" answers will be marked in the same answer category: this means that said aspect could have contributed/could contribute to the person having continued/continuing to work longer. In other words, it may not be the only factor, but if it were one of the factors, it should be marked *Code 1*.

26. Would improvements in safety, health and hygiene conditions at work have contributed to prolonging your professional life?

- Yes 1
- No 6
- I do not know 0

Unemployed persons will answer this question.

Attempt to ascertain the labour factors that may have contributed or might contribute to the person having continued or continuing to work longer. Try to find out if improving those labour factors may have encouraged or might encourage the person to postpone definitive departure from work.

"Yes" and "To a certain point" answers will be marked in the same answer category: this means that said aspect could have contributed/could contribute to the person having continued/continuing to work longer. In other words, it may not be the only factor, but if it were one of the factors, it should be marked *Code 1*.

27. Aside from the retirement pension and unemployment benefits, do you receive any pension or benefit due to disability, temporary disability or pre-retirement assignment?

- | | | |
|---|---|--------------------------|
| - Yes, a pension due to disability or a benefit due to temporary disability | 1 | <input type="checkbox"/> |
| - Yes, a pre-retirement assignment | 2 | <input type="checkbox"/> |
| - Yes, another type of benefit | 3 | <input type="checkbox"/> |
| - Yes, a combination of the aforementioned pensions and benefits | 4 | <input type="checkbox"/> |
| - No | 5 | <input type="checkbox"/> |
| - I do not know | 0 | <input type="checkbox"/> |

Unemployed persons will answer this question.

Attempt to ascertain whether the person receives some kind of pension or benefit that allows him/her not to work. This will provide information on financial aspects.

This includes all pensions (except retirement pensions) and all benefits (except unemployment benefits).

Sickness benefits can be financed by Social Security.

The following pensions or benefits are listed in *Code 1*:

- Permanent disability pension and temporary disability benefit:
Periodical payment that, before reaching the standard age of retirement, attempts to maintain or support the income of the beneficiary who suffers a disability that limits his/her abilities to work.
- Risk during pregnancy or maternity.
- Non-disabling permanent injuries.

The following pensions are listed in *Code 2*:

- Financial benefit prior to retirement for labour market reasons:

Periodical payment to older workers who cease their labour activity before reaching the legal age (generally, 65 years old) as a result of unemployment or the reduction of work caused by economic measures such as the restructuring of an industrial sector or a company. It therefore includes the commonly named pre-retirements. Normally, these payments cease when the beneficiary reaches the right to a retirement pension.

"Pre-retirement" is considered to be the situation in which the worker fulfils all of the following conditions:

- has ceased his/her labour activities due to labour market reasons
- is receiving a financial allocation that is not considered to be a retirement pension
- has not yet reached the legal age required to request a retirement pension

The following pensions or benefits are listed in *Code 3*:

- Family benefits: for dependent children, for birth of third or subsequent children, for multiple birth, non-financial benefit
- School insurance benefits
- Obligatory Old Age and Disability Insurance benefits (OADI): Disability OADI, Widowhood OADI
- Health Care
- Death and survival: pension or subsidy in favour of family members, widow(er)'s pension, orphan pension, bereavement aid, fixed price special compensation (in the cases of occupational accident or illness)

The following are not included in retirement pensions:

- Ordinary retirement pension
- Early retirement pension
- Partial retirement pension
- Flexible retirement pension.

End of Module

5. Information processing

Once the questionnaires with the survey information (both the main questionnaire and the ad hoc module) have been received, they are processed to obtain the final file and estimates.

The processing of the module information follows a scheme similar to that of the basic questionnaire, and adjusts to the following principles (for more details, see the *EAPS publication. Information processing*):

- It should not interfere in the processing of the basic questionnaire.
- It should follow a general structure, so that the least possible changes are made from one year to the next.
- It should be simultaneous or after the processing of the basic questionnaire.

In accordance with these principles, the processing stages applicable to the module are as follows:

1.- Monthly processing

Each month, the identification variables of the basic EAPS questionnaire are filtered by automatic detection and manual correction; This filtering has been modified for the four quarters of each year to ensure it can be used for the ad hoc module as well.

The filtering of the module identification variables (quarter, province, section, dwelling and number of persons) is therefore carried out along with that of the basic questionnaire.

2.- Quarterly processing

Once the thirteen weeks that comprise each of the quarters of 2006 were received, the customary processing was applied to the basic EAPS questionnaire; after completing this, we proceeded with the filtering of the module variables; using for this purpose the software, prepared by the Subdirectorate-General for Statistical IT, known as DIA (Detection and Automatic Imputation). This software is also applied in the filtering of the basic survey file.

Before applying the DIA program, a previous assignment is performed.

Specifically, in the questionnaire, prior to question M15 there is a flow such that if D1=1, one proceeds to M16. That is to say that, if the person has sought employment during the last four weeks (D1=1), s/he should proceed to M16, skipping question M15. The reason for this is that, if the person has sought employment during the last four weeks, it is obvious that s/he has the intention of returning to work (M15=6), thus making it unnecessary to ask question M15. It would be sufficient to consider M15=6 (affirmative answer) afterward, in the centralised processing; by this, we reduce the work of the informant, eliminating an unnecessary question in some cases.

3.- Annual processing

Granted that beginning in 2006, the module information is collected, along with the sub-sample variables, in the sixth interviews, once the quarterly data are

filtered, a final module file is prepared and will be the fusion of the 6th interview registers from the four quarters of the year.

The EAPS file comprised of the sixth interviews from the four quarters of 2006 has 16,662 registers that correspond to persons aged 50 to 69 who either are employed, or if unemployed, worked after turning 49, all of them having to answer the module. There are 27 cases in which the module information is a blank but, as we mentioned previously, this is due to the fact that, at the time of performing the fieldwork (asking the questions in the questionnaire), the persons did not verify the module filter. It was afterwards and due to imputations related to the automatic processing that the conditions of the entry filter were modified.

Once the variables were filtered, a final EAPS file of the ad hoc module was obtained, containing the identification variables, the annual elevation factor, some important variables of the basic quarterly files, and all module variables, for the corresponding sixth interview registers.

To build the LCS file of the module, the registers corresponding to the sixth interviews of the quarterly files were used. Unlike the EAPS file of the module, this will include information from all of the variables, both quarterly and sub-sample. In addition, the registers that comply with the corresponding filter will contain the module variables. In order to compute the estimates of said variables, the annual elevation factors will be considered.

The design of the part of the LCS register corresponding to the module is adapted to that specified in aforementioned Commission Regulation 388/2005 of 8th March.