

# **Who does not intend to retire? Mothers' opportunity costs and compensation at later ages in Europe**

**Younga KIM<sup>1</sup> and Ester RIZZI<sup>2</sup>**

## **Abstract**

Research on the association between women's work-family trajectories and their retirement intentions is limited. Studies that consider how different institutional conditions modify the association are even more limited. To fill this gap, we use the first three waves of the *Survey of Health, Ageing and Retirement in Europe*, 2004-2009, and apply two-level random effects models with country-level fixed effects to a sample of mothers aged 50-64 years. We found two different mechanisms associated with mothers' retirement intentions: a) strategies to compensate for opportunity costs and b) work attachment. When all other factors are equal, mothers with a work career characterized by interruptions and part-time work intend to work longer than other mothers, indicating the need to compensate for lower lifelong earnings at older ages. Some compensatory strategies are also observed for mothers who are single, separated/divorced or widowed and wish to continue their careers. In other cases, evidence for work attachment mechanisms is found; for instance, working when the youngest child is younger than 6 years old predicts the intention to delay retirement. These results change according to the welfare regime, underlining the importance of family policies and pension benefits to counterbalance the effect of opportunity costs on mothers' earnings.

**Key words: retirement intentions, motherhood, opportunity costs, welfare regime**

---

<sup>1</sup> Center for Demographic Research, Catholic University of Louvain, 1 Place Montesquieu bte L2.08.03, 1348 Louvain-la-Neuve, Belgium ; Social Policy Research Division, Korea Labor Institute, #622 C Bldg, Sejong National Research Complex, 30147 Sejong, South Korea email: [youngakim@ymail.com](mailto:youngakim@ymail.com)

<sup>2</sup> Center for Demographic Research, Catholic University of Louvain, 1 Place Montesquieu bte L2.08.03, 1348 Louvain-la-Neuve, Belgium. email: [ester.rizzi@uclouvain.be](mailto:ester.rizzi@uclouvain.be)

## **Acknowledgements**

This paper uses data from SHARE Waves 1, 2, and 3 (SHARELIFE), (DOIs: [10.6103/SHARE.w1.610](https://doi.org/10.6103/SHARE.w1.610), [10.6103/SHARE.w2.610](https://doi.org/10.6103/SHARE.w2.610), [10.6103/SHARE.w3.610](https://doi.org/10.6103/SHARE.w3.610), see Börsch-Supan et al. (2013) for methodological details. The SHARE data collection has been primarily funded by the European Commission through FP5 (QLK6-CT-2001-00360), FP6 (SHARE-I3: RII-CT-2006-062193, COMPARE: CIT5-CT-2005-028857, SHARELIFE: CIT4-CT-2006-028812) and FP7 (SHARE-PREP: N°211909, SHARE-LEAP: N°227822, SHARE M4: N°261982). Additional funding from the German Ministry of Education and Research, the Max Planck Society for the Advancement of Science, the U.S. National Institute on Aging (U01\_AG09740-13S2, P01\_AG005842, P01\_AG08291, P30\_AG12815, R21\_AG025169, Y1-AG-4553-01, IAG\_BSR06-11, OGHA\_04-064, HHSN271201300071C) and from various national funding sources is gratefully acknowledged (see [www.share-project.org](http://www.share-project.org)). Further, this study was supported by the ARC project of Université catholique de Louvain, and the Marie Curie Actions of the European Commission.