



Retired Canadians remain productive members of society

Making a meaningful difference in the lives of older adults and their families by bridging research, policies and practice

Summary

The senior population in Canada is growing fast. Of the 30 million Canadians in 2001, 3.9 million were 65 and older. As people retire from the paid work force, what do they do with the time formerly spent in paid employment? Are they “dependent” and “unproductive” as is commonly thought? We investigated how participation in and time spent on productive activities compared between retired and still-employed Canadians aged 45 and older using Statistics Canada’s 1998 General Social Survey on Time Use and this is what we found:

- Retirees spent more time on unpaid productive activities (volunteer, care, and domestic work), leisure and self-care than their still-employed counterparts.
- Women and men allocated their time somewhat differently on retirement. Retired men spent 1¼ hours more per day on unpaid productive activities than employed men, whereas retired women spent 40 minutes more per day on unpaid productive activities than employed women.
- 5% of retired men and 4.4% of retired women held paid jobs on the survey day, spending nearly 4 hours per day on them – almost half the hours their employed counterparts put in.
- Upon retirement, more men engaged in volunteer work (15.1% v. 7.0%) and spent more time doing it (2¾ v. 2 hours per day). Neither the participation rate (11.8%) nor the time spent (2 hours per day) volunteering changed significantly for women on retirement.
- On the survey day, those who were employed were more likely than those who were retired to participate in care work (20% of employed men and women compared to 15.9% of retired men and 14.5% of retired women). Men spent 1¾ hours per day providing care regardless of employment status, while retired women spent ½ hour more per day caring for others than employed women (2¼ hours compared to 1¾ hours per day).
- Retired men were much more likely to participate in domestic work following retirement (83.9% v. 92.2%), whereas the vast majority (97%) of women participated in domestic work regardless of employment status. Retired men also spent 1 hour more per day on domestic work than employed men (3.6 v. 2.6 hours per day). Likewise, retired women spent ¾ hour more per day than employed women (4.3 v. 3.6 hours per day) on domestic work.
- Overall, 3.2 million retirees spent about 5 billion hours on unpaid productive activity annually. The estimated economic value of these contributions to our society is \$60.2 billion each year.
- Failing to account for the 4 to 5½ hours per day retirees spent on unpaid productive activity puts them at risk of social exclusion, including being excluded from benefits that accompany more visible contributions based on paid employment.



It is commonly believed that as people age and leave the paid work force, they replace “productive” activity with leisure and become sedentary and passive. That is, retirees are believed to be “dependent” and “unproductive”. This belief is consistent with the traditional economic view that only paid work constitutes productive activity. Such an assumption of dependency fuels “apocalyptic demography”, and discussion about the escalating costs to society of health care, pensions and other social programs that often are attributed to an aging population.

Yet many of us know retirees who are actively involved in their communities, volunteering with organizations, caring for grandchildren, and helping others in need. These latter observations are consistent with a more contemporary view of productive activity which considers any activity that produces valued goods or services, whether purchased or not, to be productive and to have economic value. To those who hold this contemporary view, retirees are still productive when engaged in unpaid work activities such as volunteer, care and domestic work that are valued services.

Research objectives

- To compare average time use patterns and

participation in productive activities of employed and retired Canadians

- To estimate the economic value of unpaid productive contributions of retired Canadians

Data source

We analyzed Statistic Canada’s 1998 General Social Survey (GSS) on time use in which single day, 24-hour recall diaries were used to capture the duration of primary activities. Telephone interviews were conducted throughout the year to capture seasonal, weekly, and daily variations in time use. The response rate on the 1998 GSS was 77.6%. A sub-sample of 3,530 respondents aged 45 years and older was drawn in order to study the way Canadians use their time in later life. Women made up nearly half the sample.

Today, retirement is a process of moving in and out of the labour force and/or withdrawing gradually over a period of time, rather than a distinct event that happens at age 65. Therefore, we divided our sample into employed and retired Canadians using main source of income, age last worked, and number of hours of paid work in a week. For example, retired individuals’ main source of income was employment-related retirement benefits such as CPP or superannuation payments or they last worked when they were

55 years or older. Of the 3,530 respondents, 41.2% were retired (having a mean age of 69 years), while 58.8% were still employed (having a mean age of 52 years).

Data analyses

- Cross-tabular analyses were used to examine how people spent their time within a 24-hour day across four broad activity categories: paid work, unpaid work, leisure, and self-care.
- Estimation of the value of the retirees’ time spent on unpaid productive activities was calculated using general replacement cost techniques. 1998 wage rates (Statistic Canada) were used.

How do retirees spend their time?

Overall, retirees spent more time on unpaid work, leisure, and self-care than their still employed counterparts. Retired men spent 1¼ hours more per day on unpaid productive activities than employed men, whereas retired women spent 40 minutes more per day on unpaid productive activities than employed women.

Some retirees participate in the paid labour force

A few respondents, 5.6% of men and 4.4% of women, who were technically “retired” held paid jobs on the survey day.



Those few spent nearly 4 hours per day on average on the job – almost half the hours their employed counterparts put in. Retired individuals may seek casual employment to supplement their income, make them feel useful, meet their needs for social engagement, or to just get out of the house.

Most retirees work, albeit unpaid

Looking more closely at unpaid productive activities (volunteer, care, and domestic work) in Figure 1, we see even more clearly the substitution of one type of productive activity for another upon retirement.

Volunteer work. Volunteer work may include participating on boards or committees, teaching, driving, guiding local

visitors, or helping in schools, hospitals or residential care centres, among other things. Upon retirement more men engaged in volunteer work and spent more time doing it. The proportion of men who volunteered on the survey day doubled from nearly 7% of employed men to over 15% of retirees. Men who volunteered also spent more time at it upon retirement (2½ hours per day compared to 2 hours per day).

In comparison, neither the daily participation rate nor the time spent volunteering was significantly different for still-employed and retired women. Nearly 12% of retired women volunteered on the survey day, and they continued to spend nearly 2 hours per day on volunteer work, regardless of employment status. This

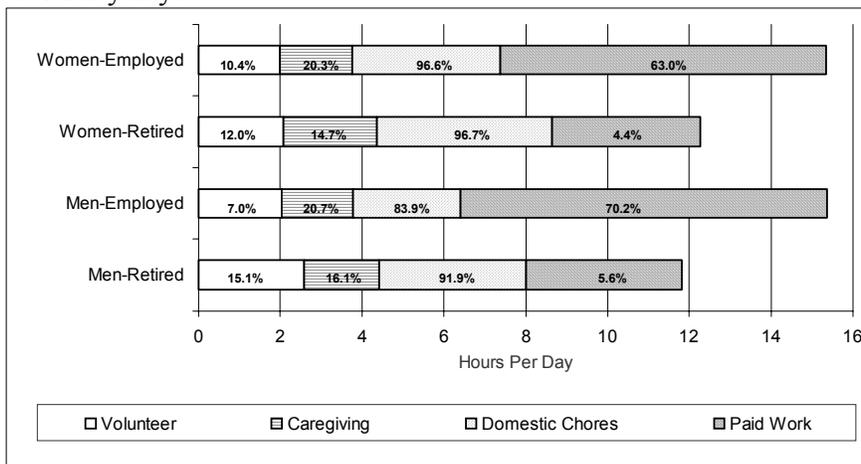
difference between men and women may reflect women’s multiple role demands, of which volunteer is only one.

Care work. Care work includes caring for grandchildren, or family members, friends, or neighbours who are sick, have long term health problems, or are dying. On the survey day about 20% of employed men and women participated in care work, whereas 16.1% of retired men and 14.7% of retired women provided care to others. Perhaps this decrease in participation is because this group includes the young-old and the old-old.

Engagement in care work may be quite different if we were to compare age groups within the retired category. Respondents aged 65 to 74 years provided nearly ½ hour of care each day. This amount decreased to about 20 minutes of care provided daily by people aged 75-84 years. Retired people aged 85 and older provided about 10 minutes of care on a daily basis.

Despite being less likely to provide care following retirement, men continue to spend about 1¼ hours per day providing care, regardless of employment status. In comparison, women spent about ½ hour more per day caring for others following retirement than

Figure 1. Average hours of time spent and participation rates (%) for productive activities for individuals who performed the activities on the diary day.





employed women (2¼ hours compared to 1¾ hours).

Domestic work. We did not see the same sharp gender differences in participation in domestic work following retirement as was evident preceding retirement. On the survey day, the vast majority of women (97%) participated in domestic work regardless of employment status, whereas men were much more likely to participate following retirement (83.9% v. 91.9%). Retired men who did domestic work also spent about 1 hour more per day at it than employed men (3.6 compared to 2.6 hours per day). Likewise, retired women spent almost ¾ hour more each day than employed women on domestic work (4.3 v. 3.6 hours per day). This suggests that household work is more equally distributed as couples retire, although women still spent more time than men at it.

Evidence challenges myths of dependency

Evidence emerging from this study contradicts current assumptions that retirees are “dependent” on society. Table 1 shows us an image of retirees as productive, contributing members of Canadian society. Retirees remained engaged in productive activity even as they moved out of the paid work force, substituting some time

Table 1. Summary of retirees’ unpaid productive activity

	Number of participants in the population (on survey day)	Total time spent (hrs/yr)	Economic value (\$/yr)
Volunteer work	434,268	377,296,330	\$4,338,907,796
Care work	492,513	364,704,872	\$4,768,065,356
Domestic work	2,997,499	4,268,103,405	\$51,131,878,791
Total	3,185,832*	5,010,104,607	\$60,238,851,943

* The total number of participants by tasks do not add up to the overall total because some respondents participated in more than one task.

formerly spent on paid work for unpaid work.

If we extrapolate findings from this sample to the Canadian population, approximately 3.2 million retirees spent nearly 5 billion hours on unpaid productive activities in 1998. These unpaid productive activities maintain retirees’ own independence and contribute to the social fabric of our society by building social ties and promoting a general sense of social responsibility. Thus, volunteer, care, and domestic work have intrinsic value to our society. Their monetary value also can be calculated. At 1998 wage rates the economic value of this unpaid productive work was \$60.2 billion.

Policy Implications

The traditional economic definition of productivity as paid work renders invisible the contributions of those not

working for pay. Such a position results in social exclusion when individuals’ entitlements to social benefits are based strictly on their current economic contributions from paid employment. Retirees are contributing to society by engaging in unpaid work that helps them to retain their own independence, support other individuals, and contribute to social capital through volunteering and helping others. Failing to account for the 4 to 5½ hours per day retirees spent on unpaid productive activity puts them at risk of being excluded from benefits that accompany paid employment contributions. Acknowledging their contributions is a first step in making their unpaid productive activity visible.



