

HEALTHY AND ACTIVE LIFE IN RETIREMENT AGE: CASE OF LATVIA

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EXTENDED ABSTRACT

Introduction

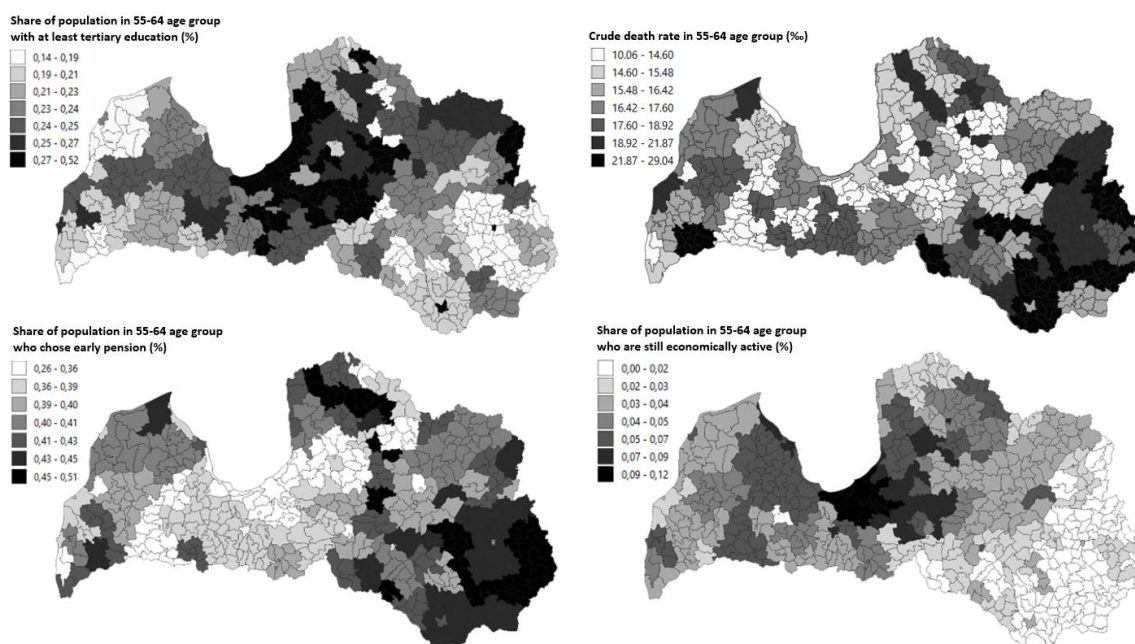
Health and activity in senior years is a widely discussed topic in the contemporary demographic studies. This includes various aspects of health, life expectancy and socio-economic activity in pre-retirement and retirement age (e.g. see Nurmela et al., 2014; Population Europe, 2018). Furthermore, various new approaches to thinking about and measuring population aging and life expectancy have been proposed in the literature (see Sanderson and Scherbov, 2016).

Pre-retirement and senior population groups are more affected by activity limitations, unemployment and bad perceived health than population in active ages. Data for Latvia, Lithuania, Estonia and several other European countries demonstrate a warning situation – while the life expectancy is growing, the number of healthy and active life years for senior population is not increasing at the equal rate.

Considering the above, we aim to analyse preconditions for the healthy and active life in pre-retirement and retirement population in Latvia and its neighbouring Baltic countries, in order to detect possible causes and risks linked to insufficient growth in healthy life span. Based on the available literature for the topic (e.g. World Bank, 2015; Lutz et al., 2018), we start the assessment with the hypothesis of healthy life years being primarily affected by the existence of low-income groups and poor levels of self-assessed health and well-being among senior population in pre-retirement and retirement ages.

Data and Methods

This study includes two research dimensions: statistical / spatial analysis of the available data and econometric modelling. First, we address health status and healthy life expectancy issues. Then we proceed with the review of available statistical and spatial data for Latvian municipalities, while paying specific attention to the divergent trends among pre-retirement and retirement age group.



Source: authors' construction based on 2011 Population and Housing Census data.

Figure 1. Education, crude death rate and economic activity of population in pre-retirement (55-64) and retirement (65+) age in Latvian municipalities in 2011

For this purpose, we use Population and Housing Census, Household Survey and SILC data on the elderly population groups residing in statistical regions and in some occasions in smaller territorial units of Latvia. We employ a set of regression models in order to study the causal links and relations between the underlying social and economic circumstances and the selected measures of inequality. We attempt to identify homogenous and heterogeneous groups among senior population, and to find out main causes of divergence among them. Ethnic and professional background is also considered among explanatory factors (Krumins and Ponomarjova, 2016).

Key findings

Population groups in pre-retirement and retirement ages are facing more socio-economic problems compared to younger ages. Population ageing and increase of the length of life only partially is followed by improvements in people's health in older ages. Healthy life years at age 65 in Latvia, Lithuania and Estonia since 2005 has increased slower than in the EU 28 and slower than increase of total life expectancy at age 65.

	2005 - 2007	2008 - 2010	2011 - 2013	2014 - 2016		2005 - 2007	2008 - 2010	2011 - 2013	2014 - 2016
EU ₂₈	8.7	8.5	8.5	9.3	EU ₂₈	9.0	8.6	8.5	9.4
EE	3.7	5.0	5.4	5.2	EE	3.9	5.1	5.6	6.1
LV	4.8	4.8	4.7	4.2	LV	4.8	5.4	5.2	4.4
LT	5.5	6.1	5.9	5.6	LT	5.1	6.7	6.4	5.7
PL	7.4	6.9	7.4	7.8	PL	8.5	7.6	8.0	8.5
DK	13.0	11.7	11.5	11.2	DK	14.1	12.4	12.9	12.2
FI	6.8	8.3	8.4	9.2	FI	7.7	8.9	8.8	9.1
SE	12.2	13.0	12.4	15.3	SE	13.1	14.1	13.5	16.7

Males *Females*

Source: authors' construction based on Eurostat data

Figure 2. **Healthy life years (HLY) at age 65 - Disability-free life expectancy (DFLE)**

Life and health expectancies at age 65 have increased in all three Baltic countries since 2005, - more significantly in Estonia, and for women. Although women live more years without disability, compared to men, they spend a larger proportion of their life in ill health. Economic crisis of 2008-2010 has not interrupted increase of healthy life years in the retirement ages.

2017 SILC survey data indicate that among the main reasons that prevented persons at age 50 and older from seeking timely medical help, were financial problems: approximately 40-55% of senior residents in Latvia could not afford to cover medical expenses.

We use the Spatial Lag Model, which accounts for the possible spatial spillovers of the indicators under study across the municipal borders and, therefore, is more feasible for use in case of countries with geographically small territorial units for Latvian municipalities. (see Dahs, 2016) Model estimations show that continuous economic activity in the pre-retirement and retirement years is the most significant factor linked with better perceived health and lower mortality in respective age groups. Further examination shows that education attainment and ethnic background plays a significant role in determining differences in socio-economic activity and consequently, perceived well-being among senior population.

According to previous studies, (e.g. see World Bank, 2015 or Krasnopjorovs, 2018) Lower employment activity of Russian ethnicity population in the pre-retirement and retirement age groups can be associated with several factors, including lack of Latvian language proficiency and citizenship status. For example, many Russian-ethnic seniors may be eligible for earlier retirement pension, if they apply for citizenship of Russian Federation.

Table 1. **Employment rates (%) of senior population aged 65-69 by age groups, ethnicity and education in Latvia in 2011**

<i>Ethnicity</i>	<i>Education</i>			Total
	Below secondary	Secondary	Tertiary	
Age group 65-69				
<i>Latvians</i>	5.8	15.0	34.8	16.0
<i>Russians</i>	4.5	11.8	23.3	12.8
<i>Other</i>	5.8	13.1	26.1	12.9
Total	5.6	14.0	30.6	14.8

Source: authors' calculation based on 2011 Population and Housing Census data

Adverse situation in retirement ages in the Baltic countries compared to relatively high employment and low health expectancies is a socio-economic problem, mostly affected by inadequate pension and health care provision for vulnerable groups or retirees. Value of healthy and active life should be raised among demographic population policy initiatives.

Acknowledgements

Research for this paper was supported by the Latvian National Research Programme Project "Demomig".

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