

# How do family biographies affect the timing of pension entrance?

## A comparative analysis of females born 1930-1939 in West Germany and the United Kingdom.

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### Abstract

Research on family processes and retirement timing has largely concentrated on joint labor force exit of married spouses. With the focus on labor force exit women not employed in later life due to earlier family responsibilities are excluded, arguably the group of females whose retirement transitions are most affected by their family biographies. In this paper we examine pension entrance timing also of females not employed in later life, and go beyond dynamics between married spouses with a focus on the impact of divorce and fertility related employment interruptions. We contrast females born 1930-1939 in two countries coined by a strong male breadwinner model during the study cohort's life courses, but different prototypes of pension systems: West Germany and the United Kingdom. This allows us to examine how female family biographies that evolved in male breadwinner societies are rewarded or penalized in different pension systems. We derive hypotheses within a rational choice framework assuming that family biographies and pension systems jointly determine the restrictions females face in their pension entrance decision. We merged the monthly income information from the GSOEP and the BHPS to reconstruct pension entrance timing with the biography information on marital, fertility, and employment histories. Findings from event history models support that mid life divorce leads to earlier pension entrance of females only in Germany. In the United Kingdom women who were never married enter both state pensions and occupational or private pensions earlier, suggesting a pension penalty on marriage. Different patterns of fertility related employment interruptions explain a polarization of late and early female pension entrance in Germany, but are less conclusive for pension entrance of females in the United Kingdom. We link these results to family regulations in pensions in the comparison countries, primarily pension sharing upon divorce, child care credits, and specific eligibility conditions for women.