**Effects of increasing retirement age on mental health of older workers in the context of working conditions**

**Abstract for the EuHEA Conference 2024**

***Objectives***

The aging population poses a significant challenge, threatening the long-term viability of pension systems across the EU. Over the last decades, many countries have introduced reforms extending the working lifespan, thereby alleviating the financial burden on pension systems. However, an often-overlooked aspect is the well-being of senior workers, whose mental and physical health can deteriorate towards the end of their careers, linked to the strenuousness and quality of the jobs they hold (Miranti and Li, 2020). Delaying retirement age would, therefore, allow more time for workers' health to decline, placing an additional burden on social protection systems (health insurance, unemployment insurance) (Serrano-Alarcón et al., 2023; Li, 2018), although the relative significance of this effect is questionable (Hagen, 2018). Moreover, these reforms underscore the societal value placed on preserving retirement years, implying that retirement is eagerly anticipated by a significant portion of the population.

Several studies have attempted to analyze the effects of pension reforms on the mental health of older workers, with most suggesting adverse effects that escalate with a greater work horizon increase (Serrano-Alarcón et al., 2023; Bertoni et al., 2022; Carrino et al., 2020; de Grip, 2009). Conversely, an extended retirement horizon may also encourage businesses to invest in the skills of senior workers to retain them in employment (Hairault et al., 2010) and adapt jobs to their skills (Miranti and Li, 2020), potentially benefiting their mental health. Older workers may also adopt healthier behaviors anticipating an extended work horizon, as found by Bertoni et al., 2018 for the 2004 Italian pension reform. On the contrary, Bauer and Eichenberger, 2021 illustrate this by showing that lowering the legal retirement age from 65 to 60 in the Swiss construction sector led to a 33% increase in sick leave between ages 56 and 60.

The literature debate on well-being and mental health throughout the life cycle reveals diverse patterns – U-shape, inverse U-shape, and other relationships (Bell, 2014; Frijters and Beatton, 2012; Blanchflower and Oswald, 2008), suggesting that the end of the career is not universally understood across countries, depending on retirement systems and senior employment policies. However, to the best of our knowledge, multi-country studies on the effects of pension reforms on mental health are scarce, with Bertoni et al., 2022 being a notable exception.

Notably, many authors find heterogeneous effects depending on working conditions, such as increased depression in jobs with a high risk of automation (Bertoni et al., 2022) and elevated depression for women in lower occupational grades with high-strain jobs (Carrino et al., 2020). Other authors have also demonstrated this relationship between working conditions and mental health, highlighting lower-grade high-strain, and physically demanding (Belloni et al., 2022; Shai, 2018; Henseke, 2018).

Building upon the work of Bertoni et al. (2022) and Carrino et al. (2020), we strive to offer a more detailed exploration of the relationship between an extended work horizon and mental health in the context of diverse working conditions. We combine comprehensive longitudinal data on working conditions from the European Working Conditions Survey, aggregated at the level of 4-digit ISCO codes, with microdata from 10 EU countries from the Survey of Health, Ageing and Retirement in Europe. We distinguish ourselves from previous studies by incorporating exogenous data on working conditions and providing a comprehensive analysis of the relationship between retirement policies and mental health outcomes in the context of job-related work characteristics.

***Methods***