

Seminario VisitInps – Mercoledì 7 luglio - ore 12

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Titolo: ***Lifespan inequalities among the over 50 in Italy: evidence from administrative data***

In this study we provide novel evidence about lifespan inequalities in the Italian population, and about their policy implications for the pension system. For this purpose, we leverage a compendium of administrative data from the Italian Social Security Institute. Our analysis delivers three sets of findings. First, we document sizeable inequalities in residual longevity at retirement by former occupation, especially among men. We estimate that male retirees with a background in specific low-risk occupational categories enjoy an advantage of about 4-5 years in life expectancy at 65 compared to those with a background in specific high-risk categories. Second, we highlight some worrisome trends in the evolution of lifespan inequalities among the over 50 in Italy. Although mortality delay (increasing average age at death) and mortality compression (declining lifespan variability) are observed across all socio-economic strata, our analysis suggests that these improvements have not been equally shared. Specifically, we find that mortality improvements were reaped mostly at the top of the lifetime income distribution, notably in the case of men. Finally, we show that the erosion in the profitability of pension contributions implied by heterogeneous longevity is stronger for male retirees at the bottom of the lifetime income distribution, and that such dynamics have become more pronounced over time. Overall, our study confirms the relevance of policy measures aimed at increasing flexibility in retirement for vulnerable categories of workers to alleviate the regressive effects of lifespan inequalities.