Title:

EXPLORING THE CONTRIBUTIONS OF CONCEPTS OF TIME TO PENSION STUDIES IN HONG KONG AND THE UNITED KINGDOM

ABSTRACT

Purpose

This article links discussions of the role of earnings-related pension measures with time in Hong Kong (HK) and the United Kingdom (UK). It presents a new conceptual 'time-based framework' to explore two related types of government response to the way people accumulate pension incomes through participation in paid work. The first is to consider governments' perceptions of appropriate time in work and retirement. The second is to consider how governments use pension measures to influence the connection between the amount of time people spend in paid work and retirement.

Design/methodology/approach

This is a conceptual paper. The time-based framework is developed using literature concerning discretionary time and the social construction of time. To explore the empirical significance of this framework, we discuss how it can be applied to the analysis of earnings-related pension measures in Hong Kong and the UK.

Findings

The evidence generated from the discussion of the earnings-related pension measures in Hong Kong and the UK shows that pension policies can serve both as a financial and time instrument. At the same time as influencing the connection between the amount of time people spend in paid work and the pensions they can accumulate, pension policies can be used to convey the government's views on important time issues, namely the appropriate length of time in work and retirement, and the relative value of the time spent in paid work and providing informal care.

Originality/value

A new framework is developed to explore the connection between the studies of earnings-related pension measures and time, which is an understudied area.

Keywords: Extending working lives (EWLs), lifecourse, pensions, retirement, time

Paper Type: Conceptual Paper

Introduction

The challenges presented by the process of demographic ageing, including the financial sustainability of pension systems, have been a matter of concern in many parts of the world including Hong Kong (henceforth, HK) and the United Kingdom (henceforth, UK) (Ebbinghaus, 2021; Foster, 2014). The notion of a 'demographic time bomb', with an increase in pension recipients, in addition to a reduction in pension contributors, is perceived as threatening the long-term financial viability of existing pension systems (Kuitto and Helmdag, 2021). These trends have been used by governments in many countries to legitimate forms of welfare retrenchment and promote policy measures to delay retirement while also encouraging individual responsibility in relation to pensions (Yeh *et al.*, 2020). This has often led to governments emphasizing a central role for earnings-related pension measures in assisting people in accumulating pension income (Foster and Heneghan, 2018). These measures strengthen the link between the amount of time in paid work, earnings during the lifecourse, and the overall adequacy of pensions (Kuitto and Helmdag, 2021). Furthermore, the emergence of the extending working lives (EWLs) agenda, which has promoted working longer in later life, has flourished in many countries as a result of attempts to curtail rising state expenditure (Lain, 2016). In effect, EWLs policies such as raising the state pension age (SPA) serve to both increase revenues through expanding the working population, while also decreasing expenditure by reducing the beneficiaries. These developments are linked to actuarial equity, which is relevant to contributory and earnings-related schemes as it relates to time spent in work and retirement, accumulated capital and pension adequacy.

Pension measures that strongly emphasise the role of pension saving during the working life on retirement income tend to be at the expense of more redistributive approaches, including the use of flat-rate pension schemes and extensive crediting arrangements during times of illness or care. Those who have not saved sufficient pension incomes through earnings-related pension schemes, especially where other forms of provision are unavailable, may find it necessary to adjust their life transitions, such as deferring retirement. An emphasis on earnings-related principles in pension design and increases in the SPA lead to an anchoring effect on retirement, influencing the extent to which individuals remain reliant on employment until older ages.

Therefore, earnings-related pension schemes not only have an impact on financial matters (the capacity to build up sufficient pensions for retirement) but also on temporal matters (the amount of time spent in paid work and retirement).

This article links discussions of the role of earnings-related pension measures with time use, two topics rarely connected in this manner (Foster, 2022). In doing so it has two objectives. The first is to present a new conceptual framework, called the 'time-based framework', which can be utilised to explore the government's responses to the way people accumulate pension incomes through participation in paid work. It is associated with the connection between the amount of time spent in paid work and pensions accumulated, including the extent to which policies are redistributive or emphasise individual responsibility. It is also linked to the way pension measures represent the government's expectations regarding the use of time (and whether these differ between groups). The second objective is to examine how the 'time-based framework' can be applied in practice. To meet this objective, we use case studies investigating how pension developments, including earning-related pension measures, are used in HK (a Special Economic Zone in China) and the UK, and how they are linked to time use. This includes the introduction, in 2000, of the Mandatory Provident Fund (MPF) (a compulsory saving scheme for employees) in HK and the auto-enrolment system, which was introduced in a phased manner, depending on the size of the employer, between 2012 and 2017.

This article is organised into four parts. The first discusses the theoretical foundation, components, and study foci of the time-based framework. The second outlines how the UK government employed auto-enrolment pensions and other pension measures which have implications for EWLs and time use, whilst the third explores the responses made by the HK government to the MPF. The fourth highlights the lessons that can be learnt from these case studies.

Time-based framework

The 'time-based framework' developed in this article draws on ideas from studies of discretionary time and the social construction of time. The notion of discretionary time was developed by Goodin and colleagues (Goodin, 2001; Goodin *et al.*, 2008) and has been widely discussed (Claassen, 2012; Fitzpatrick, 2005). It refers to 'time beyond that necessary to attend to necessary functions' (Goodin, 2008 p.5). There are three necessities: financial necessities, which are accumulated through paid labour; social necessities, which are met in unpaid labour;

and biological necessities, which are met in personal care (Goodin *et al.*, 2008). Discretionary time is seen as one of the important elements of autonomy. Goodin (2001 p.17) argues that 'even if we cannot specify with any precision what exactly is required for autonomy, we can specify certain things that preclude people from being self-legislating agents with the capacity to reflect upon their lives and shape them'. These things include inadequate income, a lack of sufficient discretionary time; and the rules people are required to meet to receive financial assistance from the government (Fitzpatrick, 2005). To achieve autonomy post-productivist's advocate three kinds of policy priorities: income adequacy; temporal adequacy; and for both to be provided in a manner that involves minimal conditionality (Claassen, 2012). This discussion of discretionary time contributes to the development of the time-based framework by drawing attention to the opportunity costs of spending time in paid work, showing how governments can employ pension measures to influence participation in paid work.

While paid work may have an intrinsic value, it also involves sacrifices. For instance, how employees spend time in the workplace is often under the supervision of their employers, with employees expected to follow employers' time schedule, rather than dictating their own (Fitzpatrick, 2005). Employees' freedom to choose how to use their time is often limited, especially in lower socio-economic forms of employment. Furthermore, time-poor individuals are likely to pay more for identical goods and services because they have more limited time to compare prices (Rathjen, 2015). Hence, in return for time spent in paid work, employees expect to be compensated by their employers, including both financial resources to meet current financial necessities (sufficient wages) and support to build up pensions through employer pension contributions (essentially a deferred wage to help to facilitate future retirement).

Discussions regarding discretionary time, together with concerns regarding income adequacy, are highly related to studies about how individuals respond to labour decommodification (Esping-Andersen, 1990; Lister, 1997). Labour decommodification is commonly understood as the degree to which individuals are able to maintain a reasonable standard of living without selling their labour in the market (Esping-Andersen, 1990). Studies of labour decommodification raise awareness that people require both sufficient financial resources to support their everyday lives, in addition to opportunities to make choices regarding how to spend their time on different activities (such as paid work and leisure activities).

In societies dominated by neo-liberalism, policies tend to emphasise a position of laissez-faire, with minimal state intervention (and support). Individual responsibility is a key driver in labour and pension policies, with individuals expected to be largely responsible for ensuring a reasonable standard of living both before and during their retirement (Berry, 2021). To meet this expectation, they may need to sell their labour in the market and sacrifice their discretionary time in exchange for wages and earnings-related pensions in retirement. Therefore, pensions can also be used to convey a message that the length of people's decommodified retirement is connected to the length of their commodified working life. This message is reinforced by studies which indicate that the age at which people are expected to receive pensions should be linked to the exit age from the labour market (European Commission, 2018). The stress on individual responsibility for securing a reasonable standard of living in different phases of their life is also evident in the expansion of Defined Contribution (DC) pension schemes, which are reliant on the market performance of schemes, and a corresponding decline in less risky Defined Benefit (DB) schemes (Airey and Jandrić, 2020). Employing a lifecycle approach which suitably accounts for levels of risk at various stages of the lifecourse can play an important role in maximizing pension income but entails individual strategies in pension planning. This is often problematic given challenges regarding market volatility and limited pension awareness (Price *et al.*, 2015).

In principle, governments can play an active role in undermining the link between decommodified retirement and a commodified working life. This can be achieved through guaranteeing retirees (regardless of their work history) an adequate income in retirement. However, this unconditional approach to welfare provision is seen as undermining work and saving incentives, and conflicts with a neo-liberal policy direction (Taylor *et al.*, 2021). It also raises questions around intergenerational fairness. The investigation of how pension measures encourage or discourage participation in paid work also benefits from understanding studies of the social construction of time. These studies stress that how time is socially constructed may not be within the control of individuals (Chatzitheochari and Arber, 2012; Lahad, 2012; Väänänen *et al.*, 2020). Pension measures provide opportunities for policymakers to influence the allocation of time in society. For instance, decisions regarding the SPA have implications for retirement timing and the number of years people are likely to spend in retirement (Higgs and Gilleard, 2010). Pension policies have been used by many countries to represent an important strand of EWLs policy (Taylor *et al.*, 2021). If governments provide extensive pension support for those undertaking informal care (through crediting arrangements for instance) this indicates importance is attached to time spent on the provision of care. When governments subsidise employee's contributions into earnings-related pension schemes, this, in effect, enhances the value of time spent on paid work. In doing so, it risks promoting a heteropatriarchal experience of work, which privileges an idealized worker who is able to perform an expected, masculinized occupational lifecourse (Grady, 2015 p.450). Furthermore, there is a risk that this agenda fails to adequately engage with the potential barriers to employment in later life, including poor health, caring responsibilities and ageism (Jandrić *et al.,* 2019; Peters and de Tavernier, 2015).

Building on the discussion of discretionary time and social construction of time, the time-based framework consists of the relationships between four components: 'working-time'; 'finances accumulated'; 'welfare provision'; and 'government's views on time issues' (see Figure 1). Working-time refers to the amount of time individuals spend in paid work. Financial resources refer to the financial resources that people accumulate in order to support their retirement, including private pension provisions. Welfare provision refers to the policy measures that the government uses which may mitigate lower pension accumulation. The government's views on time issues relate to three areas: the appropriate length of different types of life stages (such as time spent in paid work and retirement); the relative value of time spent performing different activities (such as paid work and unpaid care); and the level of income the government should guarantee retirees, which have implications for the timing of retirement and the provision of discretionary time. The level of resources also affects how time is spent on different activities.

INSERT FIGURE 1

Exploring different relationships between these four elements outlined in Figure 1 informs the search for answers to two questions:

- How do governments use pension measures to influence the connection between the amount of time people spend in paid work and retirement?
- What are the governments' views on important time issues (such as the value of paid work and time spent on the provision of unpaid informal care, the appropriate length of retirement, and how people can respond to choices and freedoms in retirement decisions)?

Studying these two questions provides insight into the role of pension policy measures in shaping welfare. These measures can be seen as financial policy instruments as they have important effects on how much people are required to save during their working life, and the amount of pension income required to support their retirement. They can also be seen as a significant instrument for shaping time dimensions of people's lives as they can be used by the government to promote its view on important time issues (including the need to work longer in the context of increasing longevity). To discuss the two research questions identified, with reference to examples, we explore how the HK and the UK governments have utilised earnings-related pension measures in the following sections.

The UK government's use of auto-enrolment and other pension measures

The pension system in the UK has undergone extensive changes over recent decades. These policy developments have been associated with a narrative of the need to respond to the pressures of population ageing, linked to rising old-age dependency ratios and managing public spending (Berry, 2021). This has been embraced by neoliberal policy makers and employed to legitimate progressive welfare retrenchment and a shift from decommodification to a greater emphasis on labour market participation. This includes policy measures to delay retirement and extend working lives, while also emphasising individual responsibility for pensions, including a greater link between pension contributions and outcomes (Foster, 2022). The landscape for private pension provision has been increasingly financialised since the 1980s with markets and institutions having a more prominent position in economic, political and social systems (James, 2021).

In promoting individualisation and private pensions, it challenged whether governments should be responsible for providing pensions above a minimum level, rather than a comprehensive package of social protection (Foster and Heneghan, 2018). This has had implications for state pension provision, a quasi-universal, single-tier benefit used by the government to deliver a minimal level of poverty alleviation in later life (James, 2021). Its role has declined over a number of years. Breaking the link of the Basic State Pension (BSP) to average earnings and using the Retail Price Index (RPI) instead, meant that between 1980 and 2008, the BSP lost around 40% of its value (Bozio *et al.* 2010). It slowly increased to 19% in 2019 after the introduction of the Triple Lock (annual indexation to the highest of: price inflation, average earnings or 2.5%) in 2010 (and suspended in 2021), still well below its relative value of nearly

25% in 1979 (Ginn and Foster, 2022). State pension provision has increasingly been designated an important part in providing a foundation to 'facilitate' additional private saving, with private pensions intended to promote adequacy with state provision providing poverty relief (Berry, 2021).

In 2016 the UK introduced a new flat-rate, Single-tier State Pension (STP) (for new pensioners) dependent on an individual's National Insurance (NI) contribution record. The full STP is £185.15 per week. While the flat-rate nature of the STP means it is redistributive, to qualify for the full STP individuals are required to pay 35 full years of NI contributions, rather than the previous 30 years under the old system, meaning people need to work longer to qualify for the full STP (Airey and Jandrić, 2020). The UK government also provides people who undertake informal care with a certain degree of retirement protection, as it is possible to claim NI credits for time out of the labour market under certain circumstances, including particular caring responsibilities and disabilities (welfare provision). However, of the 35 years, at least 10 years' contributions must not be credited. This will not be possible for everyone. Furthermore, the Pension Credit (PC), designed as a means-tested top-up for people of older age with a low income, which previously provided an additional source of retirement income for men and women from age 60, is no longer available before SPA. It was deemed to disincentivise work for older unemployed people (Jandrić *et al.,* 2019). These policy developments represent a greater emphasis on individuals EWLs, indicating the important link between pensions and time.

As recently as 2010 women received a state pension at the age of 60, with men receiving it at 65 (Mayhew, 2021). Since then, female SPA rises have accelerated and equalised, with the SPA for both sexes 66 in 2020. This represented a key measure to extend the duration of working life (Foster, 2022). Trends in employment reflect the effect of the increases in SPA on these age groups, with the biggest increases in employment rates among women aged 60 to 65 and men aged 65 (TUC, 2021). Cribb *et al.* (2014) suggested female SPA increases explained an estimated 85% of the growth in the employment rate of older women occurring since 2010. Although most individuals can theoretically work past age 65 (with the removal of the Default Retirement Age (DRA)), a number of people with caring commitments or health problems have to leave paid employment prior to state pension eligibility (Price *et al.,* 2015).

An emphasis on individual responsibility has been accompanied by the notion of the 'enabling state', with the associated policy measures presented as enabling people's 'choices' and 'freedoms', removing barriers to working longer and saving more flexibility. This has led to the introduction of auto-enrolment, which represents a form of 'libertarian paternalism' (Clark and Strauss, 2008). Auto-enrolment has been introduced on a gradual basis since October 2012, depending on the size of the employer. It involves automatically enrolling eligible individuals (generally low-to-median earners) without access to good quality workplace pensions into a low-cost portable occupational pension, while also allowing existing schemes, which provide benefits or contributions which are higher than the National Employment Savings Trust (NEST) (the default option auto-enrolment scheme) minimum, to continue. It employs a form of 'soft' compulsion as people are provided with the option to opt-out of the scheme.

Auto-enrolment is based on an assumption that although people generally comprehend the need to save for retirement they do not always proactively enroll into a pension (MacLeod et al., 2012). Less than one in ten had exercised their right to opt-out by 2017 (DWP, 2017) with the role of employer and government contributions, in addition to investment growth, leading to most of the auto-enrolled tempted to opt-out resisting. This measure strengthened the link between time in paid employment (working-time) and pensions (finances accumulated). It has been largely hailed as a success (Prabhakar, 2017), although it has also excluded certain groups including those not in paid employment (disproportionately affecting women) (Ginn and Macintyre, 2013). It does not provide credits for times out of paid employment, and it also excludes the lowest earners (those who do not earn above the £10,000 threshold do not qualify for auto-enrolment contributions) (Jethwa, 2019). The introduction of auto-enrolment has also led to an expansion in DC pension schemes, and a decline in less risky DB schemes (Airey and Jandrić, 2020).

Non-state pensions have also been shaped around more flexible retirement pathways, reflecting a de-standardization of employment histories and retirement (Möhring, 2021). In 2015, individuals aged 55+ with savings in DC pension schemes were provided with a range of measures offering greater pension flexibility. Individuals with DC pensions can now mix non-employment and employment sources of income, providing the potential to phase retirement (Airey and Jandrić, 2020). As Foster (2022) has shown these 'pension freedoms' have significant implications for the decumulation phase of auto-enrolment pensions and may be perceived as diametrically opposed to the libertarian paternalism involved in auto-enrolment.

This process has resulted in an intensification of the individualisation of longevity risks, in order to promote choice and freedom in accordance with financialisation (Ebbinghaus, 2021). While these measures are designed to facilitate greater flexibility in relation to retirement decisions (Airey and Jandrić, 2020), low levels of savings or poor savings strategies may result in people having to work longer than expected or re-enter the paid labour market in older age. This emphasis on earnings-related private pensions has occurred at the same time as SPA rises. The UK government presented these measures as an unavoidable response to the ageing population (DWP, 2014), placing an increased emphasis on the responsibility of older people to work longer to fund retirement, implying a moralistic tone (Jandrić *et al.,* 2019).

State pensions tend to represent a comparatively limited role in the financial planning of high-income groups, given their access to more extensive forms of financial resources in retirement, but may have important implications for the capacity of middle-to-lower-income groups to choose to retire (Jandrić *et al.,* 2019). An emphasis on earnings-related principles in pension design and increases in the SPA lead to an anchoring effect on retirement, influencing the extent to which individuals remain reliant on employment until older ages. Therefore, earnings-related pension schemes not only have an impact on financial matters (the capacity to build up sufficient pensions for retirement) but also on temporal matters (the amount of time spent in paid work and retirement) (Airey and Jandrić, 2020). These policy developments represent an emphasis on individuals EWLs, indicating the important link between pensions and time.

These moves have seen employment trends of older workers increase considerably over the last two decades. Men's average age of exit from the labour market was 65.2 years in 2020, compared with 63.3 years in 2000, whereas for women it was 64.3 years in 2020, an increase from 61.2 years in 2000 (TUC, 2021). However, for both men and women there is a significant fall in the employment rate above the age of 65. These averages are below the SPA. On average for those that retire at the SPA, the average length of retirement for males and females in the UK is estimated respectively as 13.3 (79.4 (expectancy for males) minus 66) and 17.1 (83.1 (life expectancy for females) minus 66) (Office for National Statistics, 2020). However, it is evident that prior to the SPA there are many people not working and ineligible for the STP (European Commission, 2018). Exit patterns from employment to retirement have also become progressively more heterogeneous and fragmented, 'evolving' in new and distinctive ways with varied forms of work, including contractualization and casualisation, reshaping the end of working lives (Taylor *et al.,* 2021). This process represents a de-standardization of employment histories and retirement (Möhring, 2021), with the EWLs narrative playing an important role in re-positioning the place of retirement within the lifecourse (Phillipson, 2019).

The HK government's use of the MPF

The last Hong Kong governor, Christ Patten, proposed setting up a universal pension scheme in early 1990s. However, this proposal received serious opposition from the local business sector and the Beijing government. An important reason is that the idea of setting up a universal pension scheme was seen as a threat to the economic philosophy of the Basic Law, which lays down the ruling principles for the administration set up in 1997. According to the Basic Law, social policy development in Hong Kong should be kept in line with economic conditions and the Hong Kong government should pursue a conservative fiscal policy (Hong Kong SAR, 2022). In response to opposing opinions, the Hong Kong government dropped the universal pension scheme proposal in favour of the MPF, which became law in 1995 and was implemented in late 2000.

The HK government stresses that the MPF is one of the most important means for people to accumulate pension income (Commission on Poverty, 2015). This fund operates on the principle of fully funded DCs into a privately managed plan where funds are contributed to by employers and employees (Yeh *et al.*, 2020). It provides a framework for members of the workforce to accrue financial benefits for retirement. Mandatory contributions paid to an MPF scheme for and in respect of an employee and any investment return derived from the investment of the mandatory contributions are fully and immediately vested in the employee as accrued benefits (MPF Schemes Authority, 2015). The government legally requires almost all full-time employees aged 18-65 and their employers to contribute 5% of the employees' relevant income (this refers to all monetary payments paid or payable by an employer to an employee including: any wages, salary, leave pay, fees, commissions, bonuses, gratuities, perquisites or allowances, but excludes severance payments or long service payments under the Employment Ordinance) to a recognised private provident fund each month (MPF Schemes Authority, 2021a). In 2018, 73% of the working population in HK was covered by the MPF with only 2% of the working population not joining the scheme despite being entitled (MPF Schemes Authority, 2021b).

The main organisations that manage the MPF are government-approved trustees from private companies (Commission on Poverty, 2015). Accrued benefits derived from mandatory contributions must be preserved until a scheme member reaches the retirement age of 65. MPF participants may be legally allowed to get back the accrued benefits derived from mandatory contributions before reaching the retirement age of 65 in certain circumstances: for example, early retirement on becoming 60; permanent departure from HK; total incapacity and terminal illness (MPF Schemes Authority, 2021b). The MPF plays an important role in strengthening the link between the amount of time people spend in paid work and the pensions accumulated to support their retirement. However, it is important to pay attention to other factors that may affect this link. These include the inflation rate, the return on the investment made by the provident fund and the administrative fees charged by the companies running the provident fund.

The impact of the HK government's response to pension challenges and the connection between the amount of time people spend in paid work and their pension income has been mixed. The design of the MPF strengthens the link between the amount of time people spend in paid work (working-time) and their pension income (finances accumulated), with people supported to take part through tax incentives (welfare provision). It has also attempted to reduce the administrative fees charged by the companies managing the MPF (such as introducing low fee funds, implementing a fee-controlled Default Investment Strategy and establishing the one-stop MPF Platform) (MPF Schemes Authority, 2021c).

In addition to promoting the MPF as an important retirement protection measure, the HK government provides non-contributory social security welfare measures which provide financial support to eligible older people. These measures consist of the Old Age Allowance, the Merged Old Age Allowance and the Comprehensive Social Security Assistance (CSSA). All of these measures except the Old Age Allowance are means-tested. The amount of Old Age Allowance is HK$1,475 per month (£168.67). The amount of Merged Old Age Living Allowance is HK$3,915 per month (£447.69). The standard rate of the CSSA scheme for people aged 65 or above is the same as the subsidy provided by the Merged Old Age Living Allowance. Unlike the users of the Merged Old Age Living Allowance, the users of the CSSA can apply for other financial support (such as rent allowance). These three measures have the potential to undermine the connection between working-time and the financial resources accumulated for their retirement.

The manner in which the HK government designed the MPF and other non-contributory measures has implications for the value placed on how time is spent and the timing of retirement. It is worth noting that there is no statutory retirement age in HK. However, given that the MPF regulations allow people to withdraw their savings from the scheme at 65, this implies that this is an acceptable retirement age. This view is supported by the policy mechanisms employed in CSSA whereby those aged 65 and over are not required to seek paid employment (Social Welfare Department, 2021). Building on the assumption that 65 is an officially acceptable retirement age, in order to calculate the length of time in retirement the government may deem acceptable, it is possible to calculate the average length of time people spend in retirement (assuming an average retirement age of 65). Given that the average life expectancy at birth for males and females is 82.7 and 88.1 years respectively, the length of time in retirement for men is estimated on average to be 17.7 years and while for women it is estimated as 23.1 years (assuming an average retirement age of 65) (Department of Health, 2021).

The HK government encourages its citizens to engage in paid work for a relatively long time. The Commission on Poverty (2015) (which consists of the government, media, district organisations, business sectors and non-governmental organisations) has highlighted three factors that support MPF participants to secure sufficient financial resources for retirement: the MPF participants have earned the median income of employed persons (in 2014) for a long period of time; they have made contributions to the MPF for 40 years; and at the age of 65 they are entitled to receive the Old Age Allowance in order to supplement the MPF. Although people are normally expected to work for 40 year, evidence suggests that many people are not in a position to work for 40 years. For instance, in 2021, the age group 25-44 had the highest labour force participation rate (85.9%). The other three groups - (15-24: 34.9%); (45-64: 68%); (65 and over: 12.5%) have much lower labour participation rate (Census and Statistics Department, 2022). Hence, at the same time as promoting the importance of the MPF, the Government provides non-contributory social security measures. However, the role of these measures in assisting older people to gain sufficient pension income should not be over-estimated. This point is supported by the fact that neither of the financial benefits provided by the Old Age Allowance, the Merged Old Age Living Allowance and the standard rate of the CSSA scheme is sufficient to help users live above the poverty line (HK$4,000 per month) (£457.42) in retirement (South China Morning Post, 2020). If older people have no choice but to continue to work to support their overall income, this will have negative implications for their discretionary time. It is also worth noting that there is an absence of any state pension provision that provides informal care providers with retirement protection assistance, with carers not receiving support in contributing to the MPF (such as credits).

Discussion

This section presents the lessons that can be learnt from the UK and HK, providing the answers to the two research questions:

- How do governments use pension measures to influence the connection between the amount of time people spend in paid work and retirement?
- What are the governments' views on important time issues?

Both the UK and HK governments have taken actions (welfare measures) that both strengthen and undermine the connection between the amount of time people spend in paid work (working-time) and the level of resources accumulated to support their retirement (finances accumulated). These welfare measures include promoting earnings-related pensions, the provision of non-contributory welfare, and other EWLs measures. The responses of the two governments reflect attitudes towards the amount of time people spend in paid work and the level of pension resources accumulated to support their retirement. They also indicate their views on the value of paid work and time spent on the provision of unpaid informal care; the appropriate length of retirement and how people can respond to a flexible ways of organising retirement.

Pension developments indicate that both the HK and UK government's have prioritised the link between paid employment and pension accumulation through earnings-related pension measures. This is characterised by a focus on individual responsibility for saving. These measures also reflect the governments' views on how time should be spent. The promotion of these links show how both governments convey a message that time spent in paid work should be highly valued, emphasising the importance of a relatively long period of time in paid employment. At the same time spending time in paid work may not necessarily guarantee a financially secure retirement. Even when people are in paid employment, low pay may prohibit involvement, with auto-enrolment in the UK excluding those who do not meet the earnings threshold (Jewtha, 2019). Nevertheless, both the UK and HK government's commitment (however limited) to the provision of non-contributory social security measures indicate some recognition of barriers to employment, which affect their capacity to contribute to earnings-related pensions (such as caring commitments). This explains why both HK and the UK provide non-contributory social security measures. However, both HK and UK governments have provided relatively low levels of support, partly related to the perceived negative effects of non-contributory social security measures in disincentivising paid employment.

Earnings-related links provide more significant challenges for those with disjointed work histories (Foster and Heneghan, 2018). This is particularly apparent in relation to the MPF and auto-enrolment, which do not include care credit arrangements. These conditional credits are however provided when certain care requirements are met in the STP in the UK, although the greater number of years of NI contributions or credits required reflects an emphasis on a long working life, similarly to HK. Although the UK government provides greater recognition of the value of time spent in the provision of informal care than the HK government (through NI care credits), the low level of the state pension means that the role of the UK government in guaranteeing income or temporal adequacy should not be over-estimated.

There is only one year difference between the age at which the MPF can be normally claimed in HK (65) and the SPA in the UK (66). However, given the greater longevity of the HK population it is expected that they will often spend greater periods of time in retirement. The difference between the age at which these forms of retirement income can be received and the length of time in retirement for men in Hong Kong compared to men in the UK is, on average, 4.4 years and the difference between the length of time in retirement for women in Hong Kong and in the UK is 6 years on average (see European Commission, 2018). This may indicate that there is a greater gap between the estimated length of retirement deemed acceptable to the HK and UK governments.

Neither HK or the UK have a fixed retirement age. The lack of a fixed retirement age in both countries has been accompanied by pension policies to encourage EWLs. These emphasise an acceptance of a more flexible way of organising retirement and represent a de-standardization of the timing of retirement in the lifecourse, (Möhring, 2021). This focus on flexibility is characterised by three key features. First, it stresses that as long as individuals take responsibility for saving, they should have the freedom to choose how to save for retirement and when to retire. Secondly, individuals are expected to make the best use of this freedom to achieve a secure retirement. For example, older people who have not saved sufficient pension income are expected to continue working wherever possible. Thirdly, policy mechanisms enabling different forms of retirement are possible, including partial retirement and delayed retirement. For instance, in the UK people can defer thier state pension receipt while also increasing the final pension (Lain, 2016). Individuals who have reached the SPA can also continue in employment while claiming the state pension. However, there is no option to take a reduced pension before SPA, which means some workers become locked into precarious and low paid types of employment to avoid poverty. In the UK pension freedoms present opportunities to utilise a DC pension more flexibly (which may also raise further tax revenue for the government) and potentially retire earlier. However, the state is not required to provide a pension until age 66 in the form of the STP, an age which is also due to rise (Mayhew, 2021). This is seen as an appropriate way of ensuring pension provision remains sustainable. It is also important to note that auto-enrolment pensions are an individualised pension scheme. It involves much less redistribution of resources between generations than the state statutory pension.

There is no state pension and thus no state pension age in HK. Moreover, there is no guarantee that people reaching the age of 65 have accumulated adequate financial resources to support a decent retirement through the MPF. Hence, for those aged 65 with insufficient MPF and/or other private scheme savings, age 65 may not represent the beginning of retirement. If they do not want to rely on the CSSA (which provides limited financial support), they may still need to continue to work. Those who have saved sufficient pension income through the MPF and/or other private pension schemes can choose to withdraw the MPF saving as early as 60 and start their retirement. Since the MPF is a personal saving scheme, it does not stress redistribution of resources between generations. Furthermore, the HK government provides measures for those who have reached 65 to continue to work. For example, those people who have a formal job can still apply for the Merged Old Age Living Allowance provided that their monthly income is no more than HK$10,430 (£1,192.72 per month).

Despite the fact that a flexible approach to retirement is favoured in HK and the UK, it can accentuate gender inequalities in pensions. The rhetoric of choice and freedom does not adequately engage with the potential barriers to employment in later life, such as caring responsibilities, poor health and (gendered) ageism (see Foster, 2022; Jandrić *et al.*, 2019). Choice and flexibility around retirement timing are available only for those who can afford it.

Those who have not saved sufficient pension incomes through earnings-related pension schemes, especially where other forms of provision are unavailable, may find it necessary to adjust their life transitions, such as deferring retirement (Weyman *et al.,* 2012). This implies that a focus on flexible retirement linked to individual responsility can widen time inequalities.

Conclusion

This article contributes to the discussion of the link between studies of earnings-related pension measures and studies of time. It has developed a time-based framework to analyse the government policy responses to pension challenges, and their implications for time use. This has been discussed within the context of pension developments in HK and the UK. This framework provides an original approach to the study of pension reforms and outcomes, drawing attention to state engagement in the balance between time in work and retirement. This time-based framework raises awareness that pension policy serves not only as a financial instrument but also as a time instrument that the government can use to convey its views on important time issues. The discussion of the time-based framework also draws attention to links between retirees' income adequacy and their temporal adequacy. Lacking sufficient pension income may mean lacking sufficient financial resources to pursue valued activities (Lloyd, 2015). Furthermore, people may need to continue to work past the SPA if they do not have sufficient financial resources to retire. The study of the time-based framework in this article is not without limitations. For instance it does not cover the concept of subjective time. Furthermore, there is a lack of discussion on the views of users of pension measures on time issues, and whether they support government's policy directions. These areas warrant further attention in future research.

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Figure 1 Time-based Framework