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Testimony to the Legislative Program Review & Investigations Committee

October 3, 2013

By Nora Duncan, State Director

Regarding Reemployment of Older Workers

Thank you to the Committee for addressing the important challenges faced by older jobseekers in Connecticut. We had the opportunity to meet with the Committee's research staff this summer and we will continue to provide input as we move through this process and the 2014 Legislative Session.

Let me start with some important national facts:

- In 1985, less than two-fifths of people age 50 and older were in the labor force, meaning they were either working or looking for work. By 2011 that figure had risen to nearly half.
- People aged 50+ represented 31% of the workforce in 2011.

This is all very significant and sounds promising for older workers, but regrettably, unemployment statics highlight the struggles facing older workers:

- The unemployment rate for the aged 55+ workforce was 5.1% in August. While this is lower than the national average for all ages, it is still much higher than it was at the start of the "Great Recession", when it registered at 3.2%.
- Nearly 1.7 million older Americans were unemployed in August.
- The average duration of unemployment for the aged 55+ jobseeker was 50.4 weeks in August - nearly a full year - as compared with 34.2 weeks for younger jobseekers.

These numbers reflect what we see here in Connecticut and are the reason AARP is dedicated to helping older jobseekers find work and providing resources to help individuals navigate career changes, regardless of their circumstances. In the last 18 months AARP CT has, among other efforts:

- partnered with the Small Business Administration to provide resources for entrepreneurs & potential entrepreneurs;
- funded a program for aged 50+ job seeker skill building at The Workplace, Inc.;

- entered a partnership with the University of CT Encore! Hartford program to provide tuition assistance and in-kind support for older jobseekers with the goal of transitioning for-profit sector skills to the nonprofit sector; and
- supported, along with our partner reSET: Social Enterprise Trust, the Social Enterprise movement through advocacy and publicity.

Nationally, AARP is awash with resources for jobseekers and entrepreneurs alike. You can see some of our research and resources attached to my testimony. I also encourage you to visit the “Work” section of our site, www.lifereimagined.org, where our partnership with Linked In and the Small Business Administration, as well as professional content, is free to everyone. Additionally, the “Work & Retirement” section of www.aarp.org has valuable information for everyone, of all ages, both working and seeking work.

AARP policy supports, and I strongly encourage you to consider, the following in your recommendations for legislative and administrative changes:

- elimination of maximum hiring and mandatory retirement ages for all workers, including public safety employees. Qualification for employment should be based on competency and fitness rather than age;
- regulatory and legislative measures to prohibit discrimination against job-seekers because they are or have been unemployed;
- legislation significantly limiting the use of credit information by employers;
- legislation prohibiting discrimination against workers with caregiving responsibilities, which should include requirements to provide reasonable accommodations to family caregivers;
- elimination of barriers to the adoption and acceptance of phased-retirement programs ;
- elimination of barriers to self-employment, which include lack of access to capital, technical assistance, and training;
- development of training and retraining programs that are accountable to provide workers with skills leading to jobs in high-growth industries and high-quality occupations that pay well, provide employee benefits, and enable workers to continue to develop new skills while employed;
- equitable representation of older workers in the workforce development system;
- targeting of workers with special needs or who face barriers in their efforts to find work, e.g., the long-term unemployed, persons with disabilities, older workers, and persons who need literacy training;
- adequate funding of training and retraining programs and financial aid to jobseekers without the resources to pay for training;

- provision of supportive services to workers and job seekers who may need added assistance in their efforts to obtain training and employment; and
- collection of adequate data on program participation and services to enable policymakers to evaluate the effectiveness of publicly funded workforce development programs.

Being slightly more subjective and using my personal experience of 7 months of unemployment in the beginning of the "Great Recession," I also encourage you to:

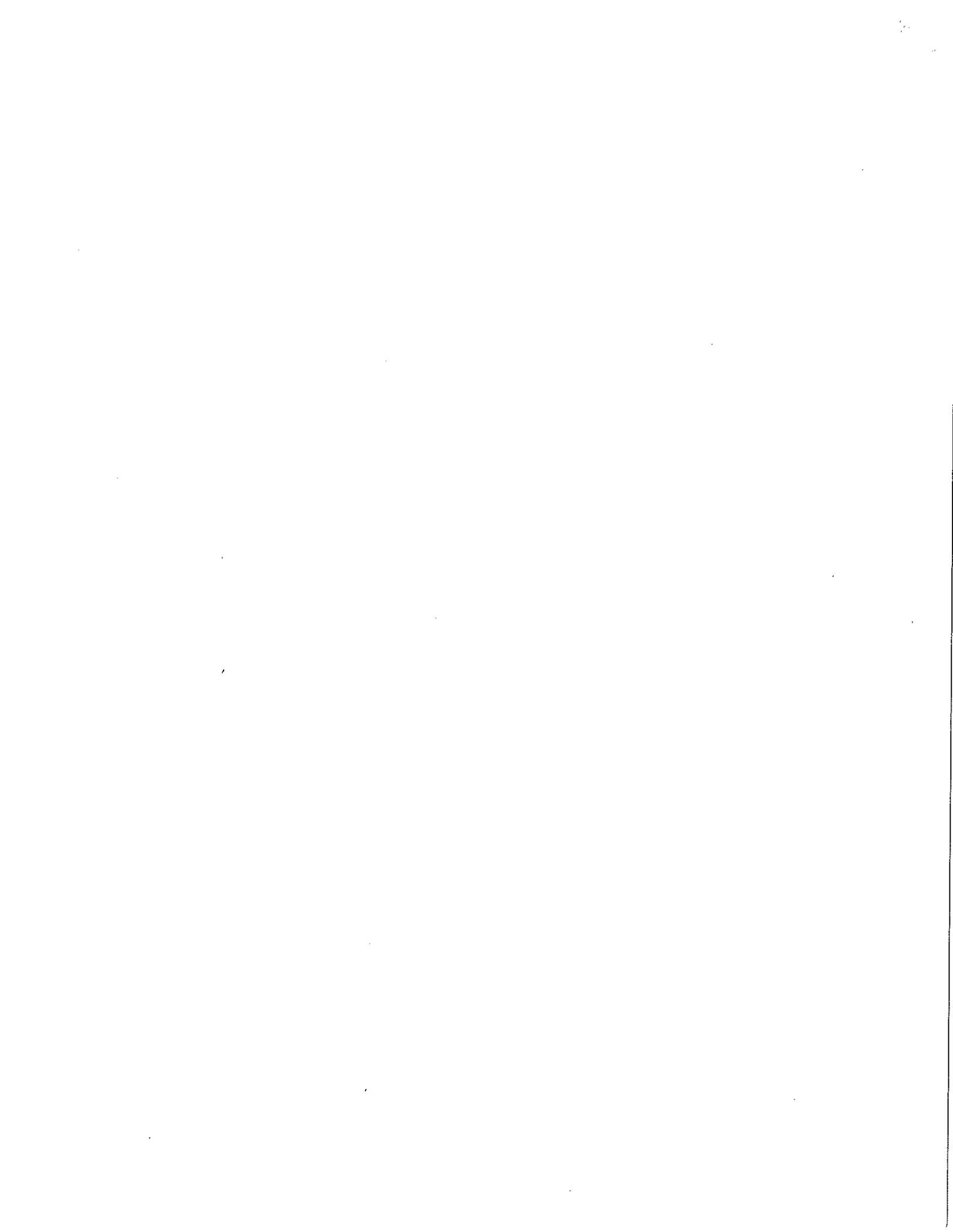
- modernize the Department of Labor training and jobseeker resources so that they better align with the modern world. For instance, professional networking and internet job searching are necessary skills for so many that can, and must, be taught;
- eliminate barriers that might prevent the Department of Labor and other State of CT programs from engaging with and relying upon volunteers and non-contracted community resources to provide expertise to jobseekers, such as Linked In training, networking skills, volunteerism as a skill builder, etc. If the State does not have the resources or manpower to provide these necessary offerings, we need to make accommodations so that others may step in to help; and
- review how the Department of Labor and CTWorks Centers across the state might engage more employers with higher skilled and better paying jobs so that the Centers become a place that more jobseekers see as a viable resource for meaningful employment opportunities.

Thank you again for your attention to this incredibly important subject that must be addressed in a meaningful way by all stakeholders. Your leadership will advance our efforts and promote an environment that will help 50+ workers get back to work.

Please do not hesitate to contact me for more information.

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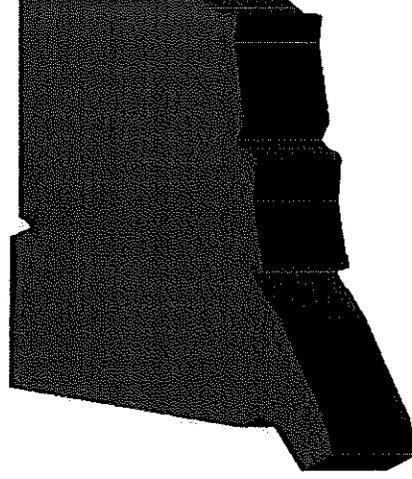




AARP WORKFORCE PROFILES:

Selected Characteristics of U.S. Workers and Non-Workers Age 40+

Connecticut





BACKGROUND

Undoubtedly, the aging of the 77 million baby boomers – those individuals born between 1946 and 1964 – has impacted the U.S. workforce over the past decade and according to the Bureau of Labor Statistics (BLS), this aging cohort will continue to impact the labor force over the next decade as well. Currently, there are over 144 million individuals in the U.S. age 40 and older, and among them, over 76 million are working.¹ The BLS further projects that in 2020, the 55+ age group will total 97.8 million and will make up over one-quarter (28.7%) of the resident population and will increase their share of the labor force by 38 percent.^{2,3} Moreover, while the participation rate of workers age 65 and older has steadily increased since 1990, their participation rate since the start of the recession has considerably surpassed that of workers aged 55-64.⁴ By 2020, civilian labor force participation rate for this age group is projected to be 22.6 percent.⁵ And the BLS notes that not until 2020, when the older baby boomers begin to exit the workforce, will the U.S. labor force begin to experience a downturn in numbers.

The *AARP Workforce Profiles* tool is an electronic and interactive update of the 2005 publication, *AARP State Profiles of Workers 45+*. Like the earlier publication, this tool is designed to provide specific information about the 40+ workforce nationally and in each state for AARP staff as well as others who work or share an interest in the enhancement of the older U.S. workforce. This tool is intended to provide the user with a broad understanding of this population in order to plan and implement programs related to mature workers.

This tool provides information about age 40+ workers within each state, such as the number of hours worked per week, in which industries they work, how many work in the private or public sector, and how they get to work. In addition, the user can view demographic characteristics of workers and non-workers with respect to health insurance coverage, income, education, disability status, race, gender, and grandparent status.

Variables such as **type of health coverage and source of income** are not available in this hard-copy report but can be viewed on the **interactive online tool**: <http://www.aarp.org/workforceprofiles>. Data were gathered from the 2009-2011 American Community Survey (ACS) Public Use Micro Sample (PUMS), which is taken from the U.S. Census Bureau data. Data for Puerto Rico are provided from the U.S. Census Bureau's Puerto Rico Community Survey (PRCS) 2009-2011.⁶ No data are available for the U.S. Virgin Islands from the U.S. Census Bureau.

ABOUT THE U.S. CENSUS AMERICAN COMMUNITY SURVEY

The data behind this tool comes from the Census Bureau's American Community Survey (ACS). The ACS is an ongoing survey that samples a small percentage of the population every year in the United States and Puerto Rico – rather than from the whole population like the decennial census. Foremost, data from the ACS determines how federal and state funds are distributed each year to states and local communities but the data are available for public use for a variety of purposes. **All ACS data are survey estimates** and not exact numbers and proportions in a point in time. The data are available in 1, 3, and 5-year period estimates so data are combined to produce 12 months, 36 months or 60 months of data.

1. U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement, 2012
2. Toossi, M. Labor Force Projections to 2020: A More Slowly Growing Workforce, see Table 1, p. 44
3. Ibid, Toossi, p. 45
4. Rix, S. The Employment Situation, October 2012: Relatively Little Change for Older Workers, p. 6
5. Ibid, Toossi, p. 50
6. Please go to http://www.census.gov/acs/www/about_the_survey/puerto_rico_community

AARP WORKFORCE PROFILES: Selected Characteristics of U.S. Workers and Non-Workers Age 40+



The American Community Survey Public Use Microdata Sample, or PUMS, is a data set of un-tabulated records of individual people or housing units produced by the Census Bureau. As with all Census information, PUMS files are available to the public and allow users access to inexpensive data for custom tables, regression analysis, or modeling applications not available with the pre-tabulated ACS data.

- ♦ For more information about the American Community Survey, go to http://www.census.gov/acs/www/guidance/for_data_users/guidance_main/
- ♦ For more information about PUMS, go to http://www.census.gov/acs/www/data_documentation/public_use_microdata_sample/
- ♦ To learn more about how the ACS differs from other labor statistics, go to <http://www.census.gov/hhes/www/laborfor/laborguidance092209.html>

GUIDE TO INTERPRETING TABLES

In order to improve the precision of the estimates at the state level, particularly for smaller or less populated states, the 3-year 2009-2011 ACS PUMS data was used for this analysis. As a result, the data presented here technically represent *average values over the three year period*. The National un-weighted sample for the U.S. population age 40+ in this dataset is 4,727,802. Sample size and margins of error remain an issue for some subgroups and caution must be used when making inferences in these cases. Simply put, the margin of error describes how far a sample's results stray from the true value of an entire population. The smaller the margin of error, the greater likelihood the sample is representative of the population.

Given that the ACS is a survey of a sample of people drawn from the larger population, smaller states like Wyoming or Delaware are likely to yield small samples of the U.S. population, and therefore yield a smaller number of respondents and larger margins of error within subgroups such as the number of workers age 50+ with no health coverage. On the other hand, more populated states like California are likely to yield greater numbers of respondents and smaller margins of error within subgroups, making inferences to the larger state population more reliable. This tool does not provide a way for users to test for significance between estimates, so use caution when comparing geographies as differences may not be meaningful.

Cautionary notes are also included throughout the tool in cases where the unweighted sample size for a particular state is less than 1,000. The margin of error for a sample of 1,000 at the 95% confidence interval is +/- 3.1 percent.

DEFINITIONS

For purposes of this tool, employment-related terms are defined as follows:

- ♦ **workers/employed:** includes those working as paid employees, working for profit in own business or profession, on their farm, or for 15 hours or more unpaid on family farm or in family business; also includes those on active duty in U.S. Armed Forces (part of ACS "labor force" definition).
- ♦ **non-workers:** includes the unemployed and those not in the labor force (i.e., both of the categories below).
- ♦ **unemployed:** includes those *not* working as a paid employee, and those actively looking for work and available to start a job.
- ♦ **not in the labor force:** includes students, homemakers, retired workers, seasonal workers interviewed in an off season who were not looking for work, institutionalized people, or those doing unpaid family work for less than 15 hours per week.

For more information on ACS employment definitions please go to http://www.census.gov/people/laborforce/about/acs_employ.html.



Connecticut PROFILE
Selected Characteristics of U.S. Workers and Non-Workers Age 40+ by Age Group

	40+ Workers						40+ Non-Workers						Total		
	40 to 49		50 to 64		65+		40 to 49		50 to 64		65+		Total		
	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	
Gender															
Male	51.8%	542,513	50.9%	546%	54.6%	51.6%	38.5%	42.4%	39.3%	296,000	40.0%	838,513	46.8%		
Female	48.2%	509,131	49.1%	45.4%	48.4%	61.5%	57.6%	60.7%	443,786	60.0%	952,917	53.2%			
Group Total	100.0%	1,051,644	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	739,786	100.0%	1,791,430	100.0%			
Education															
None	0.3%	5,081	0.6%	0.9%	0.5%	2.0%	1.7%	2.0%	14,410	1.9%	19,491	1.1%			
Some preschool - 6th grade	1.0%	10,891	1.0%	1.6%	1.0%	1.8%	2.8%	4.0%	24,450	3.3%	35,341	2.0%			
7th-12th grade	4.5%	50,995	4.7%	7.4%	4.8%	13.5%	12.4%	15.9%	107,428	14.5%	158,423	8.8%			
High school graduate	26.5%	272,579	25.1%	27.7%	25.9%	31.9%	30.1%	36.8%	252,607	34.1%	525,186	29.3%			
Some college /Associate	26.6%	280,282	27.5%	22.2%	26.7%	23.7%	25.6%	18.3%	156,804	21.2%	437,086	24.4%			
College graduate/post graduate	41.2%	431,816	41.1%	40.3%	41.1%	27.1%	27.4%	23.0%	184,087	24.9%	615,903	34.4%			
Group Total	100.0%	1,051,644	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	739,786	100.0%	1,791,430	100.0%			
Income															
Less than \$25,000	19.1%	191,381	17.4%	18.5%	18.2%	85.0%	72.9%	64.7%	519,208	70.2%	710,589	39.7%			
\$25,000 to \$49,999	27.2%	293,823	27.7%	32.8%	27.9%	9.2%	15.0%	22.2%	134,354	18.2%	428,177	23.9%			
\$50,000 to \$99,999	35.8%	373,656	36.2%	30.2%	35.5%	4.0%	8.7%	9.7%	62,970	8.5%	436,626	24.4%			
\$100,000 to \$249,999	14.1%	152,774	14.9%	14.3%	14.5%	1.3%	2.6%	2.7%	18,283	2.5%	171,057	9.5%			
\$250,000 or more	3.7%	40,010	3.8%	4.2%	3.8%	0.5%	0.7%	0.7%	4,971	0.7%	44,981	2.5%			
Group Total	100.0%	1,051,644	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	739,786	100.0%	1,791,430	100.0%			

Source: U.S. Census Bureau, American Community Survey, Public Use Microdata Sample 2009-2011

AARP WORKFORCE PROFILES: Selected Characteristics of U.S. Workers and Non-Workers Age 40+



Connecticut PROFILE
Selected Characteristics of U.S. Workers and Non-Workers Age 40+ by Age Group

	40+ Workers						40+ Non-Workers						Total		
	40 to 49		50 to 64		65+		40 to 49		50 to 64		65+		Total		
	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	
Race															
Caucasian/White	74.9%	843,929	83.5%	843,929	87.0%	843,929	66.0%	80.2%	75.8%	87.6%	598,484	80.9%	1,442,413	80.5%	
African American/Black	9.1%	81,214	6.7%	81,214	7.2%	81,214	11.7%	7.7%	9.9%	5.6%	57,310	7.7%	138,524	7.7%	
Asian/Pacific Islander	4.0%	32,650	2.7%	32,650	1.2%	32,650	3.8%	3.1%	2.4%	1.6%	16,087	2.2%	48,737	2.7%	
Hispanic any race	10.6%	81,793	6.1%	81,793	3.8%	81,793	17.0%	7.8%	10.3%	4.6%	60,101	8.1%	141,894	7.9%	
American Indian/Alaska Native	0.1%	1,163	0.1%	1,163	0.1%	1,163	0.1%	0.1%	0.3%	0.1%	1,070	0.1%	2,233	0.1%	
Other/two or more races	1.3%	10,895	0.9%	10,895	0.7%	10,895	1.3%	1.0%	1.4%	0.6%	6,734	0.9%	17,629	1.0%	
Group Total	100.0%	1,051,644	100.0%	1,051,644	100.0%	1,051,644	100.0%	100.0%	100.0%	100.0%	739,786	100.0%	1,791,430	100.0%	
Grandparent Status															
No grandchildren in the home	98.1%	1,021,618	96.5%	1,021,618	95.9%	1,021,618	97.0%	97.1%	94.1%	95.2%	704,226	95.2%	1,725,844	96.3%	
Responsible for grandchildren	0.9%	12,276	1.4%	12,276	1.4%	12,276	1.4%	1.2%	2.3%	0.8%	9,627	1.3%	21,903	1.2%	
Not responsible for grandchildren	1.0%	17,750	2.1%	17,750	2.7%	17,750	1.6%	1.7%	3.6%	4.0%	25,933	3.5%	43,683	2.4%	
Group Total	100.0%	1,051,644	100.0%	1,051,644	100.0%	1,051,644	100.0%	100.0%	100.0%	100.0%	739,786	100.0%	1,791,430	100.0%	
Disability Status															
With a disability	4.3%	64,314	6.4%	64,314	13.4%	64,314	22.8%	6.1%	31.2%	40.3%	259,131	35.0%	323,445	18.1%	
Without a disability	95.7%	987,330	93.6%	987,330	86.6%	987,330	77.2%	93.9%	68.8%	59.7%	480,655	65.0%	1,467,985	81.9%	
Group Total	100.0%	1,051,644	100.0%	1,051,644	100.0%	1,051,644	100.0%	100.0%	100.0%	100.0%	739,786	100.0%	1,791,430	100.0%	
Health Coverage															
Yes	91.3%	980,485	93.9%	980,485	99.0%	980,485	80.9%	93.2%	86.6%	99.2%	686,892	92.9%	1,667,377	93.1%	
No	8.7%	71,159	6.1%	71,159	1.0%	71,159	19.1%	6.8%	13.4%	0.8%	52,894	7.1%	124,053	6.9%	
Group Total	100.0%	1,051,644	100.0%	1,051,644	100.0%	1,051,644	100.0%	100.0%	100.0%	100.0%	739,786	100.0%	1,791,430	100.0%	

Source: U.S. Census Bureau, American Community Survey, Public Use Microdata Sample 2009-2011

AARP WORKFORCE PROFILES: Selected Characteristics of U.S. Workers and Non-Workers Age 40+

Connecticut PROFILE

Selected Characteristics of U.S. Workers Age 40+ by Age Group



	40+ Workers												
	Age 40 to 49		Age 50 to 64		Age 65+		Total						
	Count	%	Count	%	Count	%	Count	%					
Number of Hours Worked Per Week													
1-19 hours	16,918	3.9%	24,063	4.6%	19,455	21.6%	60,436	5.7%					
20-39 hours	92,744	21.2%	119,524	22.8%	31,858	35.3%	244,126	23.2%					
40+ hours	327,851	74.9%	380,370	72.6%	38,861	43.1%	747,082	71.0%					
Group Total	437,513	100.0%	523,957	100.0%	90,174	100.0%	1,051,644	100.0%					
Class of Worker													
Private, for-profit	283,219	64.7%	310,682	59.3%	47,301	52.5%	641,202	61.0%					
Private, not-for-profit	39,741	9.1%	54,312	10.4%	12,218	13.5%	106,271	10.1%					
Government	63,948	14.6%	85,958	16.4%	11,545	12.8%	161,451	15.4%					
Self-employed	50,041	11.4%	72,462	13.8%	18,993	21.1%	141,496	13.5%					
Working without pay in family business or farm	564	0.1%	543	0.1%	117	0.1%	1,224	0.1%					
Group Total	437,513	100.0%	523,957	100.0%	90,174	100.0%	1,051,644	100.0%					
Industry													
Agriculture	1,551	0.4%	1,089	0.2%	385	0.4%	3,025	0.3%					
Mining	272	0.1%	304	0.1%	113	0.1%	689	0.1%					
Utilities	4,429	1.0%	6,131	1.2%	378	0.4%	10,938	1.0%					
Construction	32,114	7.3%	28,858	5.5%	3,415	3.8%	64,387	6.1%					
Manufacturing	52,799	12.1%	74,249	14.2%	9,080	10.1%	136,128	12.9%					
Wholesale	12,963	3.0%	13,916	2.7%	2,225	2.5%	29,104	2.8%					
Retail	35,112	8.0%	42,651	8.1%	11,077	12.3%	88,840	8.4%					
Transportation	14,705	3.4%	17,429	3.3%	2,904	3.2%	35,038	3.3%					
Information	11,336	2.6%	13,792	2.6%	1,644	1.8%	26,772	2.5%					
Finance, Insurance, Real Estate	50,269	11.5%	48,952	9.3%	7,383	8.2%	106,604	10.1%					
Professional and Scientific Services	49,253	11.3%	55,949	10.7%	10,909	12.1%	116,111	11.0%					
Educational, Health, and Social Services	106,075	24.2%	149,627	28.6%	24,797	27.5%	280,499	26.7%					
Arts, Entertainment, Recreation, Accommodation, Food Services	44,187	10.1%	48,488	9.3%	12,653	14.0%	105,328	10.0%					
Public Administration	21,549	4.9%	22,322	4.3%	3,211	3.6%	47,082	4.5%					
Military	899	0.2%	200	0.0%	0	0.0%	1,099	0.1%					
Group Total	437,513	100.0%	523,957	100.0%	90,174	100.0%	1,051,644	100.0%					

Source: U.S. Census Bureau, American Community Survey, Public Use Microdata Sample 2009-2011

AARP WORKFORCE PROFILES: Selected Characteristics of U.S. Workers and Non-Workers Age 40+



Connecticut PROFILE
Selected Characteristics of U.S. Workers Age 40+ by Age Group

	40+ Workers											
	Age 40 to 49		Age 50 to 64		Age 65+		Total					
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
Transportation to Work												
Car, truck, or van	378,913	86.6%	454,761	86.8%	73,729	81.8%	907,403	86.3%				
Bus or trolley bus	9,981	2.3%	9,289	1.8%	2,099	2.3%	21,369	2.0%				
Streetcar or trolley car (carro publico in Puerto Rico)	35	0.0%	110	0.0%	0	0.0%	145	0.0%				
Subway or elevated train	629	0.1%	658	0.1%	161	0.2%	1,448	0.1%				
Railroad	9,851	2.3%	8,609	1.6%	719	0.8%	19,179	1.8%				
Ferryboat	82	0.0%	39	0.0%	0	0.0%	121	0.0%				
Taxicab	158	0.0%	256	0.0%	45	0.0%	459	0.0%				
Motorcycle	666	0.2%	350	0.1%	17	0.0%	1,033	0.1%				
Bicycle	960	0.2%	911	0.2%	24	0.0%	1,895	0.2%				
Walked	6,804	1.6%	8,503	1.6%	2,145	2.4%	17,452	1.7%				
Worked at home	18,663	4.3%	26,325	5.0%	7,714	8.6%	52,702	5.0%				
Other method	2,741	0.6%	2,556	0.5%	415	0.5%	5,712	0.5%				
N/A (not a worker--not in the labor force)	8,030	1.8%	11,590	2.2%	3,106	3.4%	22,726	2.2%				
Group Total	437,513	100.0%	523,957	100.0%	90,174	100.0%	1,051,644	100.0%				

Source: U.S. Census Bureau, American Community Survey, Public Use Microdata Sample 2009-2011

Connecticut PROFILE
Employment Status for Americans Age 50+ by Gender

	Employed						Unemployed						Not in Labor Force						Total	
	Male		Female		Total		Male		Female		Total		Male		Female		Total		Total	
	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%	Count
Connecticut	55.7%	614,131	44.5%	50,627	49.6%	4.1%	39.3%	52.1%	566,918	46.3%	572,509	46.3%	566,918	46.3%	670,349	1,237,267				
National	49.9%	44,215,316	39.7%	3,646,383	44.4%	3.7%	45.6%	57.4%	46,102,018	51.9%	51,661,199	51.9%	46,102,018	51.9%	53,420,880	99,522,898				

Source: U.S. Census Bureau, American Community Survey, Public Use Microdata Sample 2009-2011

ADDITIONAL RESOURCES

AARP Public Policy Institute, Economic Security
AARP Research and Statistics, Economic Security and Work
AARP State Profiles of Workers 45+ (2005)
American Community Survey
American Community Survey, Public Use Microdata Sample (PUMS)
American Community Survey Questionnaire
Bureau of Labor Statistics
Bureau of Labor Statistics, Economy at a Glance
Center for Retirement Research at Boston College
Kaiser Family Foundation, Demographics and the Economy
U.S. Census Bureau Current Population Survey
U.S. Census Bureau Local Employment Dynamics
U.S. Department of Labor
U.S. Department of Labor COBRA Continuation Coverage
U.S. Department of Labor Services by Location
U.S. Census Bureau Local Employment Dynamics, Community
Economic Development

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The Employment Situation, August 2013: Sputtering Along¹

Sara E. Rix
AARP Public Policy Institute

- ✓ The August unemployment rate for the workforce aged 55 and older—5.1 percent—was little changed from July’s 5.0 percent. Although below the rate of 5.9 percent in August 2012, it was still much higher than it was at the start of the Great Recession: 3.2 percent.
- ✓ Nearly 1.7 million people aged 55 and older were unemployed in August; that figure is 36,000 greater than in July but 215,000 fewer than the previous August.
- ✓ The proportion of older people with jobs has remained virtually unchanged since the first of the year.
- ✓ The average duration of unemployment for older jobseekers rose from 49 weeks in July to 50.4 weeks in August.

Employment and Unemployment²

Nonfarm payroll employment, as reported by establishments, rose by an estimated 169,000 people in August. The preliminary estimate of an increase of 162,000 for July was revised downward to 104,000.³ Despite fairly steady growth for the past 3 years, employment in August still was about 2 million below what it was at the start of the Great Recession in December 2007 (figure 1), while the number of people aged 16 and older had increased by 12.8 million.⁴

The overall unemployment rate was little changed in August: 7.3 percent, compared to 7.4 percent in July. The same was true for the aged 55-plus segment of the population for which the unemployment rate was 5.1 percent versus 5.0 percent the month before (figure 2). Rates differed based on sex. The unemployment rate fell slightly for men (from 5.6 percent to 5.4 percent) between July and August but rose for

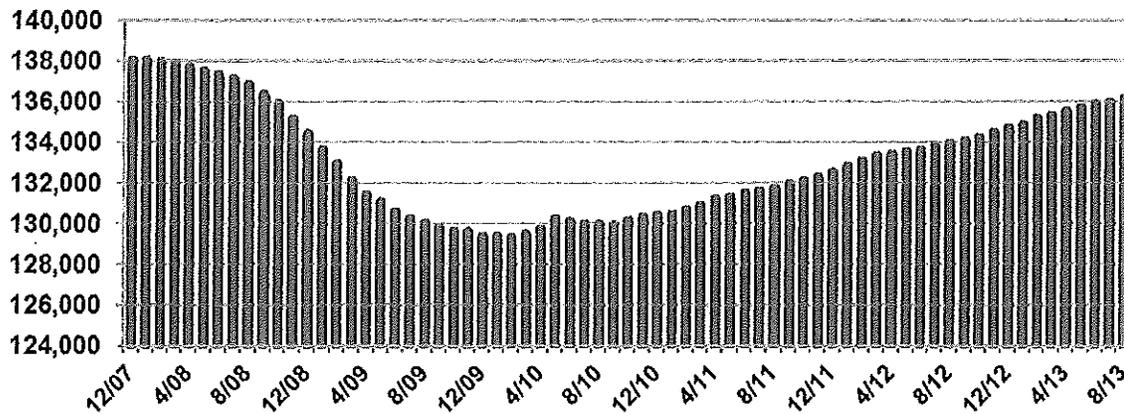
women (from 4.9 percent to 5.2 percent), the opposite of what occurred in July.⁵ The labor force participation rate for older Americans was also somewhat higher, returning to 40.5 percent in August from 40.3 percent in July. Compared to July, an additional 206,000 older adults were in the labor force; the number out of it fell by 73,000.

Almost 1.7 million older people were unemployed in August, about 36,000 more than in July but about 215,000 fewer than a year earlier. The number of older employed workers rose by 169,000, but the proportion with jobs (employment-to-population ratio) showed little improvement, ticking up to 38.4 percent from 38.3 percent (table 1), and not much different from what it was at the beginning of the year.

Duration of Unemployment

Average duration of unemployment for jobseekers aged 55 and older rose from 49 weeks to 50.4 weeks in August (table 2 and figure 3).⁶ Jobseekers under

Figure 1
Nonfarm Payroll Employment, December 2007–August 2013*
(seasonally adjusted; number in thousands)



Source: U.S. Department of Labor, Bureau of Labor Statistics, Total nonfarm employment from the Current Employment Statistics Survey (National) at <http://www.bls.gov/webapps/legacy/cesbtab1.htm>. Accessed on September 6, 2013.

*Aged 16+ workforce; figures for July 2013 and August 2013 are preliminary. These numbers are from BLS's establishment survey and will not be identical to data from the household survey in table 1.

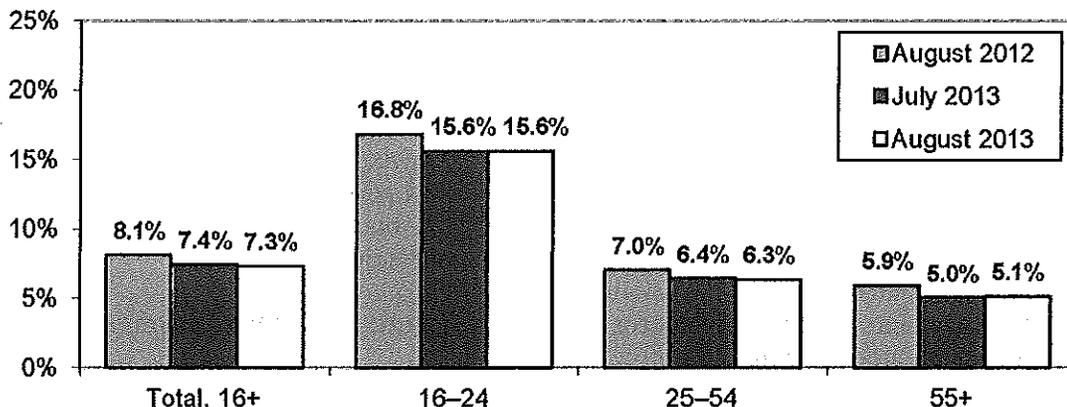
age 55 had been unemployed for an average of 34.2 weeks in August, up from 32.9 weeks the month prior (table 2), a somewhat greater increase than that of their older peers.

As of August, 47.4 percent of older jobseekers were long-term unemployed—that is, they had been out of work and looking for a job for 27 weeks or more. This figure is virtually unchanged from July.

Other Employment Indicators

- At 4.4 percent, the proportion of older employed working part time for economic reasons (i.e., because of slack working conditions or because they could not find full-time work) in August was down from July's 4.9 percent. Although still substantially higher than it was at the start of the recession (2.4 percent), this figure translates into more than

Figure 2
Unemployment Rates by Age, August 2012, July 2013, and August 2013*



Source: U.S. Department of Labor, Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey at <http://data.bls.gov/pdq/querytool.jsp?survey=in>. Accessed on September 6, 2013.

*Rates are seasonally adjusted.

Table 1
Selected Employment Indicators by Age Group, August 2012, July 2013, and August 2013
(seasonally adjusted)

Indicator	Age	Date			Percent Change	
		August 2012	July 2013	August 2013	Monthly July 2013–August 2013	Annual August 2012–August 2013
Population (in 000s)*	16–24	38,800	38,861	38,841	-0.1%	0.1%
	25–54	124,308	124,401	124,409	0.0%	0.1%
	55+	80,457	82,493	82,790	0.4%	2.9%
Labor Force (in 000s)	16–24	20,969	21,473	21,270	-0.9%	1.4%
	25–54	101,172	100,939	100,790	-0.1%	-0.4%
	55+	32,537	33,269	33,475	0.6%	2.9%
Labor Force Participation Rate (%)	16–24	54.0	55.3	54.8	-0.9%	1.5%
	25–54	81.4	81.1	81.0	-0.1%	-0.5%
	55+	40.4	40.3	40.5	0.5%	0.2%
Employment (in 000s)	16–24	17,451	18,123	17,953	-0.9%	2.9%
	25–54	94,048	94,476	94,424	-0.1%	0.4%
	55+	30,628	31,612	31,781	0.5%	3.8%
Share of Population Employed (%)**	16–24	45.0	46.6	46.2	-0.9%	2.7%
	25–54	75.7	75.9	75.9	0.0%	0.3%
	55+	38.1	38.3	38.4	0.3%	0.8%
Unemployed (in 000s)	16–24	3,518	3,350	3,317	-1.0%	-5.7%
	25–54	7,124	6,463	6,366	-1.5%	-10.6%
	55+	1,908	1,657	1,693	2.2%	-11.3%
Unemployment Rate (%)	16–24	16.8	15.6	15.6	0.0%	-7.1%
	25–54	7.0	6.4	6.3	-1.6%	-10.0%
	55+	5.9	5.0	5.1	2.0%	-13.6%
Not in Labor Force (in 000s)*	16–24	16,957	15,355	16,752	9.1%	-1.2%
	25–54	23,180	23,628	23,732	0.4%	2.4%
	55+	48,173	49,577	49,504	-0.1%	2.8%

Source: U.S. Department of Labor, Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey (household survey data) at <http://data.bls.gov/pdq/querytool.jsp?survey=ln>. Accessed on September 6, 2013.

*Not seasonally adjusted.

**Employment-to-population ratio.

100,000 fewer involuntary part-time older workers than the month before.⁷ In August, women were once again more likely than men to be involuntary part-time workers (5.0 percent vs. 3.9 percent, respectively).

- The number of older, unincorporated self-employed workers in nonagricultural industries was just over 3.1 million in August, only

about 27,000 more than the month before but about 105,000 more than a year earlier.⁸ As of August, 10.2 percent of older nonagricultural workers were self-employed. This figure compares to 10.3 percent in July and 10.3 percent in August 2012. For the nearly 6 years since the start of the Great Recession, this figure has hovered around 10 percent.

Table 2
Average Duration of Unemployment, Jobseekers Under Age 55 and Aged 55+,
August 2012, July 2013, and August 2013
(not seasonally adjusted)

Age	August 2012	July 2013	August 2013
Less than 55	36.1 weeks	32.9 weeks	34.2 weeks
55+	52.7 weeks	49.0 weeks	50.4 weeks

Source: Calculated from *Employment and Earnings Online*, August 2012 at http://www.bls.gov/opub/ee/2012/cps/tablea36_201208.pdf; July 2013 at http://www.bls.gov/opub/ee/2013/cps/tablea36_201307.pdf; and August 2013 at <http://www.bls.gov/web/empsit/cpseea36.pdf>. Accessed on September 6, 2013.

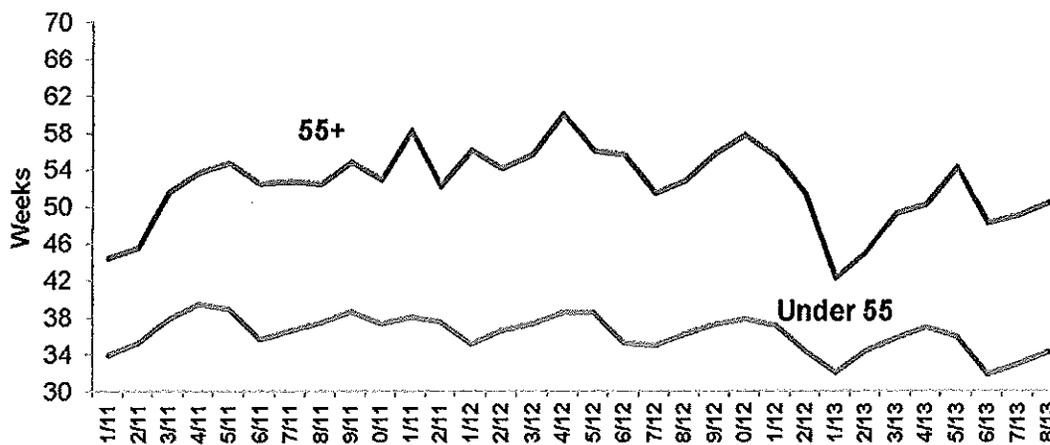
- Most older people who are out of the labor force say that they do not want a job (97 percent in August, a figure that has shown little fluctuation over the years). The number of older people who are out of the labor force but interested in work fell by more than 200,000 in August, when some 1.6 million older non-labor-force participants said that they wanted a job.⁹
- At 212,000, the number of older “discouraged” workers in August was only slightly below the 222,000 for July; 259,000 older Americans were classified as discouraged during the previous August.¹⁰ The number of discouraged workers remains well above what it was

when the recession began in 2007, at which time only 53,000 older people were classified as discouraged workers.

Concluding Observations

It is hard to get excited about August’s employment news for older workers—there was no appreciable change in employment or unemployment. Average duration of unemployment remained high. There were fewer older people working part time for economic reasons, but even that figure was well above what it was at the start of the recession. Job growth was insufficient to have an appreciable impact on the employment-to-population ratio.

Figure 3
Average Duration of Unemployment in Weeks by Age, January 2011–August 2013*



Source: Calculated from U.S. Department of Labor, Bureau of Labor Statistics, Labor Force Statistics, Table A-36 in *Employment and Earnings Online* at <http://www.bls.gov/opub/ee/archive.htm> and <http://www.bls.gov/web/empsit/cpseea36.pdf>. Accessed on September 6, 2013.

*Averages are not seasonally adjusted.

Things could have been worse, of course, and the picture is brighter when compared to a year ago, rather than to the previous month. Month-to-month figures can fluctuate dramatically. (See Note below.) Still, market conditions improving at a “glacial pace,” to quote Center on Budget and Policy Priorities’ chief economist,¹¹ do not promise much to the millions of Americans, 1.7 million of them older, who are trying to find a job.

Note: Caution is urged in interpreting month-to-month changes in some of the employment figures. Not all figures are seasonally adjusted, and the numbers can and do fluctuate substantially over the short term because of sampling error or the small number of individuals in a particular category who may have been interviewed. Numbers over a longer period (e.g., beginning to end of the recession) or annually adjusted figures generally provide a more reliable picture.

Endnotes

¹ Unless otherwise specified, “older” in the Fact Sheet refers to people aged 55 and older. Employment and unemployment figures are seasonally adjusted unless otherwise noted.

² Statistics in this Fact Sheet are from U.S. Department of Labor, Bureau of Labor Statistics (BLS), *The Employment Situation—August 2013*, USDL-13-1803 (Washington, DC: BLS, September 6, 2013); tables in BLS’s *Employment and Earnings Online* at <http://www.bls.gov/opub/ee/archive.htm>, various years; BLS table at <http://www.bls.gov/web/empsit.supp.toc.htm> and <http://www.bls.gov/webapps/legacy/cesbtab1.htm>; and BLS’s labor force statistics from the Current Population Survey, available at <http://data.bls.gov/pdq/querytool.jsp?survey=ln>. Some numbers in this Fact Sheet may differ from those reported in earlier Fact Sheets because of adjustments by BLS.

³ In August, the BLS reported an estimated 162,000 increase in employment for July. That figure is still preliminary, as is the estimate for August.

⁴ The estimate varies somewhat depending on whether the number is from BLS’s establishment survey or household survey.

⁵ The unemployment rate for men aged 55 and older is seasonally adjusted; the rate for women aged 55 and older is not. According to BLS, unemployment for women in this age group does not appear to show seasonal variation.

⁶ Figure 3 data go back only to January 2011 because that was when BLS changed its top coding of duration of unemployment from 2 years to 5 years. Before this change, any duration of unemployment greater than 2 years was coded as 2 years. See U.S. Department of Labor, Bureau of Labor Statistics, *Changes to Data Collected on Unemployment Duration*, at <http://www.bls.gov/cps/duration.htm>.

⁷ Refers to nonagricultural workers. Data are not seasonally adjusted.

⁸ Monthly self-employment figures are published by BLS only for unincorporated workers employed in their own business, profession, trade, or farm. (BLS regards self-employed workers who report being incorporated as employees of a corporation and thus classifies them as wage and salary workers.) Self-employment figures are not seasonally adjusted.

⁹ Data in this section are not seasonally adjusted.

¹⁰ Discouraged workers are not looking for work because they believe that no work is available or that there are no jobs for which they would qualify (e.g., employers would find them too old, they lack the necessary schooling/training). They are a subset of the marginally employed (i.e., people who are not in the labor force who want a job and are available for work and who have searched for work during the prior 12 months but not in the prior 4 weeks). See BLS at <http://www.bls.gov/cps/lfcharacteristics.htm#discouraged>. The numbers on discouraged workers are not seasonally adjusted.

¹¹ Chad Stone, Statement on the August Employment Report (Washington, DC: Center on Budget and Policy Priorities, September 6, 2013) at <http://www.cbpp.org/files/9-6-13ui-stmt.pdf>.

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