

OLDER WORKERS AND GENDER

Differences in labor force participation, income and reasons for working

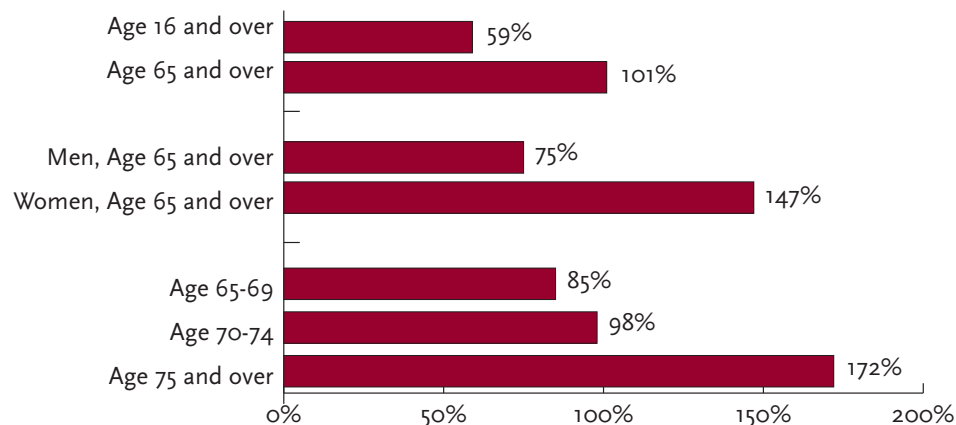
To what extent are men and women aged 55 and older active in the labor force?

In 2007, the labor force participation rate for men aged 55-59 was 77.8%, compared to 66.6% for women. For ages 60-64, the rates were 59.2% for men and 47.9% for women. For 65-69 year olds, the rates were 34.3% and 25.7% respectively, and for 70-74 years olds, 21.2% for men and 14.0% for women.¹

According to a 2008 analysis of CPS data, 52% of 62- to 64-year-old men were employed in March 2008, compared with 42% in March 1990. The proportion of 62-64-year-old men who worked full-time rose from 77% to 82% in the same time period. Among women aged 62 to 64, employment increased from 28% in March 1990 to 41% in March 2008. The percentage of 62- to 64-year-old working women who were employed full-time increased from 61% to 65%.³

"Between 1977 and 2007, employment of workers 65 and over increased 101%, compared to a much smaller increase of 59% for total employment (16 and over). The number of employed men 65 and over rose 75%, but employment of women 65 and older increased by nearly twice as much, climbing 147%. While the number of employed people age 75 and over is relatively small (0.8% of the employed in 2007), this group had the most dramatic gain, increasing 172% between 1977 and 2007" (see figure 1).²

figure 1. Percent Increase in Employment By Age and Sex, 1977-2007



Source: U.S. Bureau of Labor Statistics

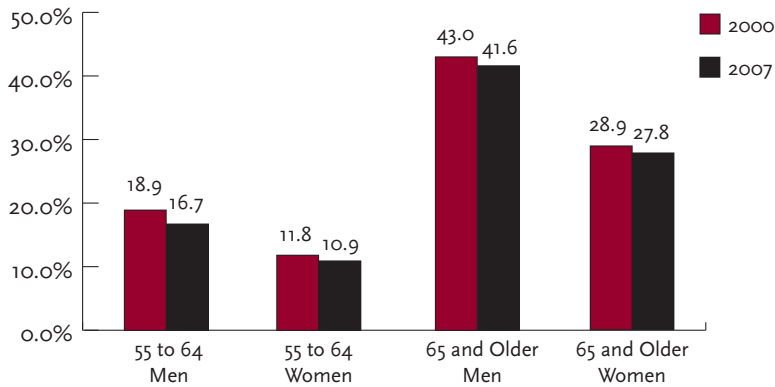
Do older men and older women workers differ in income and earnings?

"Older women earn 55 cents for every dollar that men earn from all hours worked at all jobs. Comparing the hourly rates of pay at main jobs (with salaries converted to hourly rates), older women earn 69 cents for every dollar older men earn—still a substantial difference." (p.15) Comparing employees 50 years of age or older, men have higher mean (\$49,020) and median (\$69,141) salaries than women (\$29,412 mean; \$37,870 median).⁴

According to a 2008 analysis of Social Security Administration data, "in 2006, 38.1% of men aged 62 to 64 were receiving Social Security retired worker benefits. This was 8.7 percentage points lower than in 1995. Among women, the percentage of 62- to 64-year-olds who were receiving Social Security retired worker benefits was generally stable over the period from 1990 to 2000 at about 36%, but by 2006, the percentage had fallen to 34.3%." ³

17% of men aged 55 to 64 were receiving pension income in 2007; this represents a decline from 19% who received such income in 2000. Over the same period, the proportion of men aged 65 or older receiving pension income also fell, declining from 43% in 2000 to 41.6% in 2007. The proportion of women aged 55 to 64 with pension income fell slightly from 12% in 2000 to 11% in 2007. Among women 65 or older, 28% received income from pensions and retirement savings plans in 2007, compared to 29% in 2000 (see figure 2).³

figure 2. Percentage Receipt of Income from Employer Pensions and Retirement Savings Plans in 2000 and 2007



Source: Current Population Survey

Do older men and older women work for different reasons?

“Women (43%) are more likely than men (30%) to work because they need the income to live on. And single (64%) and divorced (61%) employees are almost twice as likely as those who are married (36%) to continue to work because they need the income to live on.”⁵

Being able to afford health care in retirement, the top concern for all employees, is far more important to females (73%) than males (52%)....Women are more concerned about outliving their retirement money -- 62% versus 45% for males.” Similarly, 57% of women report concerns about having to work full-time or part-time to live comfortably during retirement.⁶

In a 2008 AARP survey, enjoyment of working and/or enjoyment of the job were reported as major reasons for working by 69% of the male and 71% of female respondents.⁷

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