Career Outlook

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Older workers: Labor force trends and career options

Mitra Toossi and Elka Torpey | May 2017

You enter the labor force, you work until a certain age, and you retire. Or maybe you don't. More and more people are working into their later years, a trend that is expected to continue.

According to the U.S. Bureau of Labor Statistics (BLS), about 40 percent of people ages 55 and older were working or actively looking for work in 2014. That number, known as a labor force participation rate, is expected to increase fastest for the oldest segments of the population—most notably, people ages 65 to 74 and 75 and older—through 2024. In contrast, participation rates for most other age groups in the labor force aren't projected to change much over the 2014–24 decade.

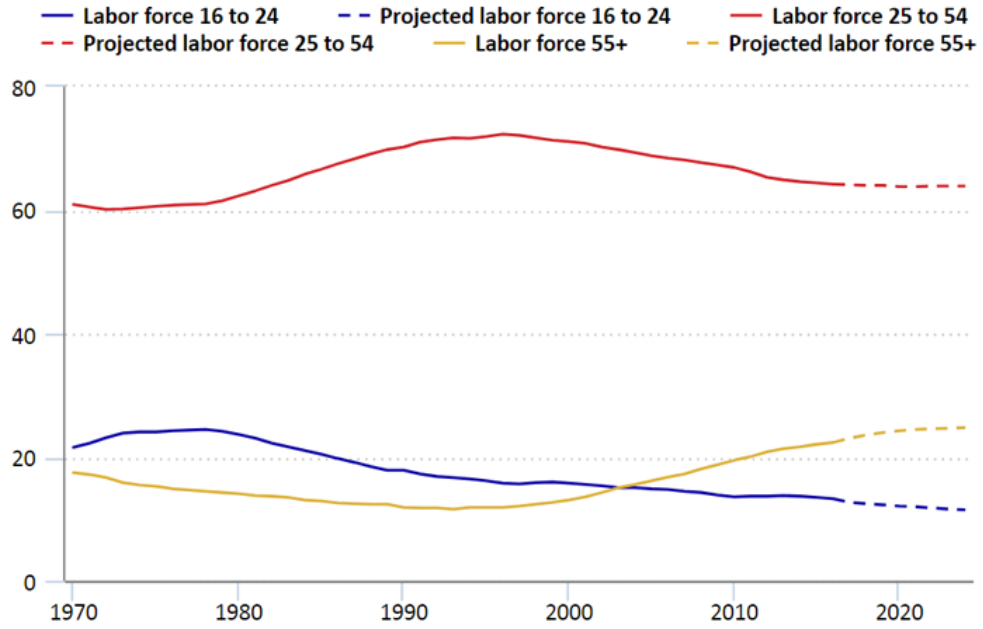
Keep reading to learn more about the changing age composition of the labor force. You'll find BLS data on older workers, including occupations in which they're concentrated and career options such as self-employment and part-time jobs. If you're considering something different for a later-in-life career, this information might give you some ideas.

A changing labor force

The labor force is people ages 16 and older who are either working or actively looking for work. It excludes active-duty military personnel and the institutionalized population, such as prison inmates.

BLS data reveal how the age makeup of the U.S. labor force is changing. (See chart 1.) From 1970 until the end of the 20th century, older workers—which BLS defines as those ages 55 and older—made up the smallest segment of the labor force. In the 1990s, however, these older workers began to increase their share of the labor force, while workers in younger age groups started to have declines in their labor force shares. And by 2003, the older age group no longer had the smallest share.

Chart 1. U.S. labor force shares by age, 1970 to 2014 and projected 2014–24 (percent)

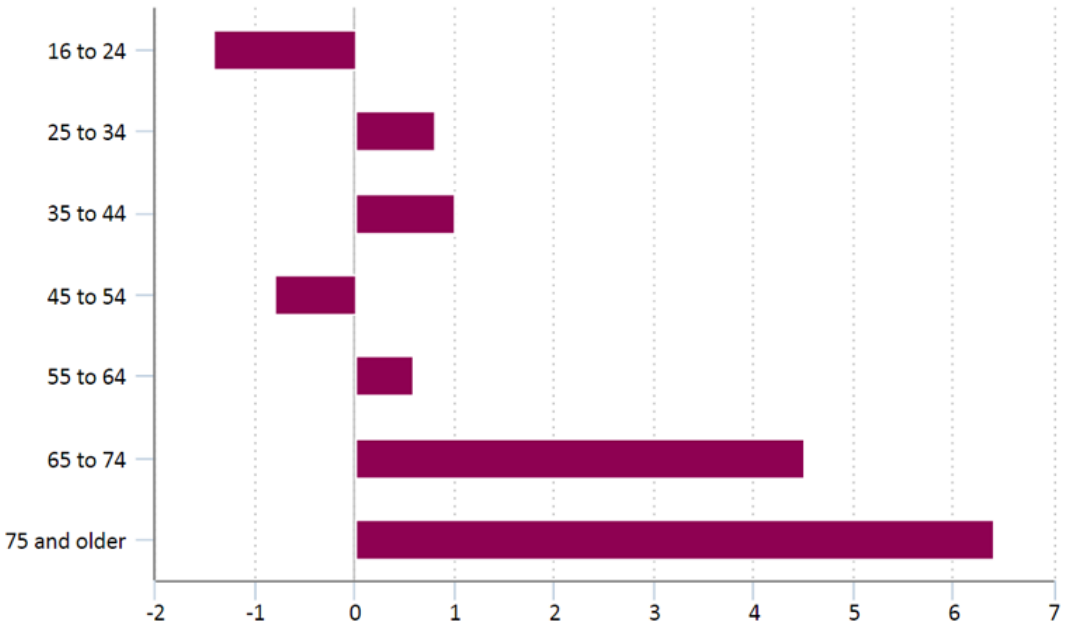


Source: U.S. Bureau of Labor Statistics.

By 2024, BLS projects that the labor force will grow to about 164 million people. That number includes about 41 million people who will be ages 55 and older—of whom about 13 million are expected to be ages 65 and older.

And, although they make up a smaller number of workers overall, the 65- to 74-year-old and 75-and-older age groups are projected to have faster rates of labor force growth annually than any other age groups. (See chart 2.) Over the entire 2014–24 decade, the labor force growth rate of the 65- to 74-year-old age group is expected to be about 55, and the labor force growth rate of the 75-and-older age group is expected to be about 86 percent, compared with a 5-percent increase for the labor force as a whole.

Chart 2. Annual growth rate in labor force by age, projected 2014–24 (percent)



Source: U.S. Bureau of Labor Statistics.

This increase is being fueled by the aging baby-boom generation, a large group of people born between 1946 and 1964. By 2024, baby boomers will have reached ages 60 to 78. And some of them are expected to continue working even after they qualify for Social Security retirement benefits.

People are working later in life for a number of reasons. They are healthier and have a longer life expectancy than previous generations. They are better educated, which increases their likelihood of staying in the labor force. And changes to Social Security benefits and employee retirement plans, along with the need to save more for retirement, create incentives to keep working.

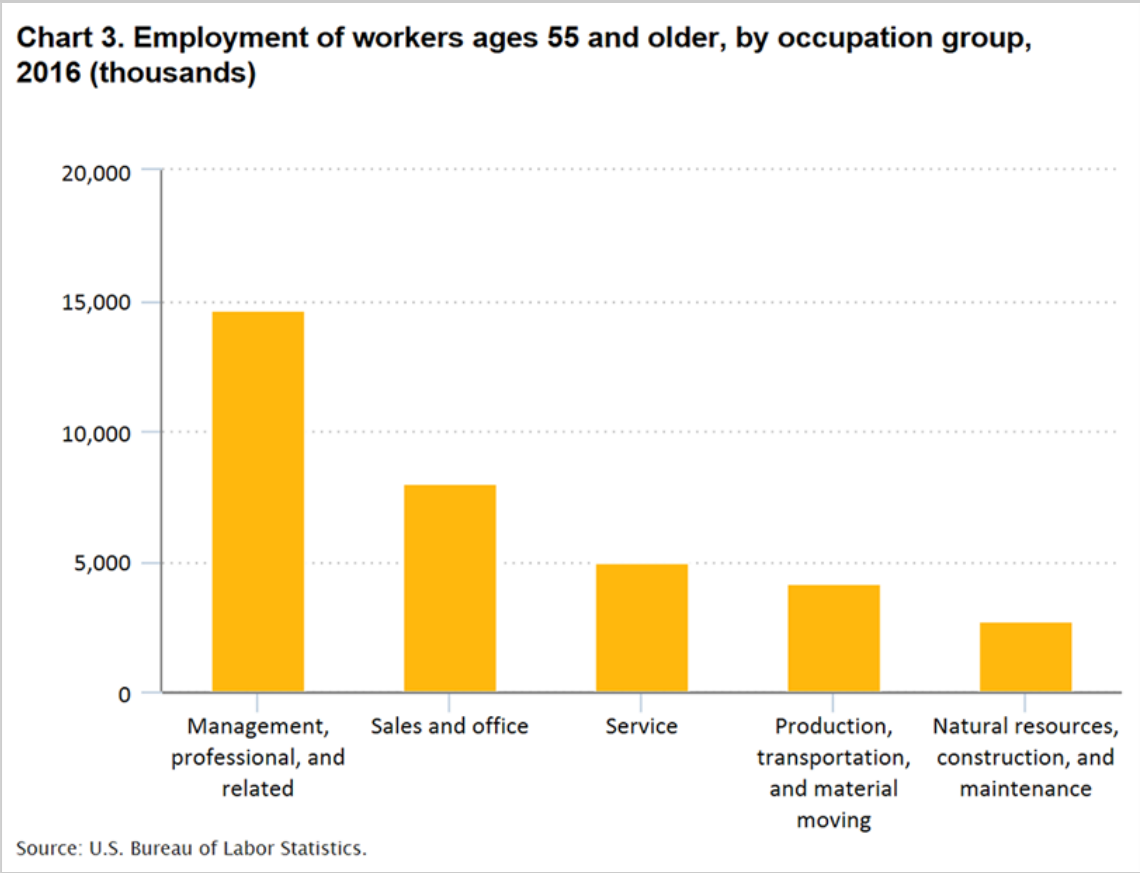
Later-in-life career options

With people staying in the labor force longer, planning for a career later in life may be increasingly important. Here are a few options to consider if you're looking to do something new.

Occupations with older workers

Maybe you've spent your career in an office and would love to get into the outdoors. Or perhaps you're retiring as a teacher and would prefer to get a job giving tours of a local museum.

Workers ages 55 and older were employed across many types of occupations in 2016, according to BLS. (See chart 3.) More than 42 percent of these workers were in management, professional, and related occupations, a somewhat higher proportion than that for all workers.



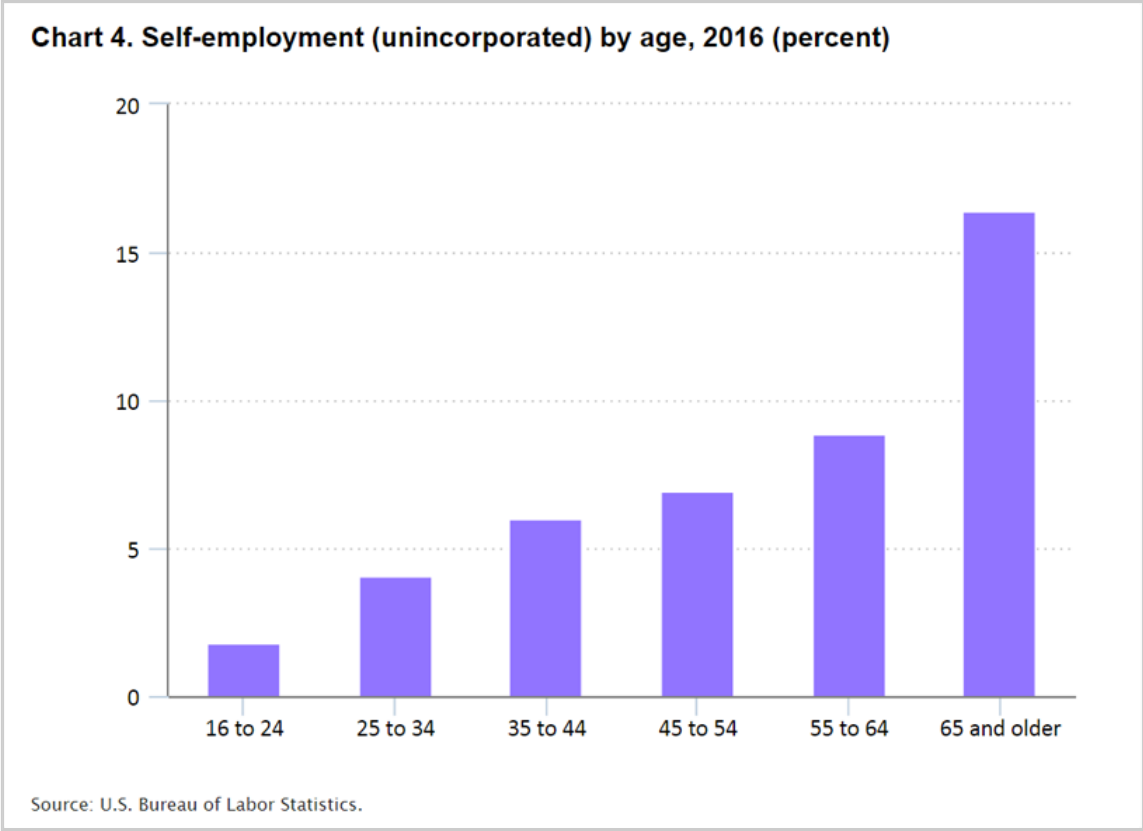
BLS data can also show where older workers are concentrated. In each of the following selected occupations, workers ages 55 and older made up at least one-third of the occupation's total employment in 2016:

- Archivists, curators, and museum technicians
- Bus drivers
- Clergy
- Furniture finishers
- Jewelers and precious stone and metal workers
- Legislators
- Medical transcriptionists
- Proofreaders and copy markers
- Property, real estate, and community association managers
- Real estate brokers and sales agents
- Tax preparers
- Travel agents

Self-employment

Self-employment is an option that may offer increased flexibility and autonomy. If you've always wanted to be your own boss, what kind of business might you like to own? Would you rather freelance, perhaps as a gig worker?

BLS data show that workers in older age groups have higher rates of self-employment than do workers in younger groups. (See chart 4.) Knowledge and resources gained through years of experience may put older workers in a good position to work for themselves.



Selected occupations in which self-employment was common in 2016, according to BLS, include:

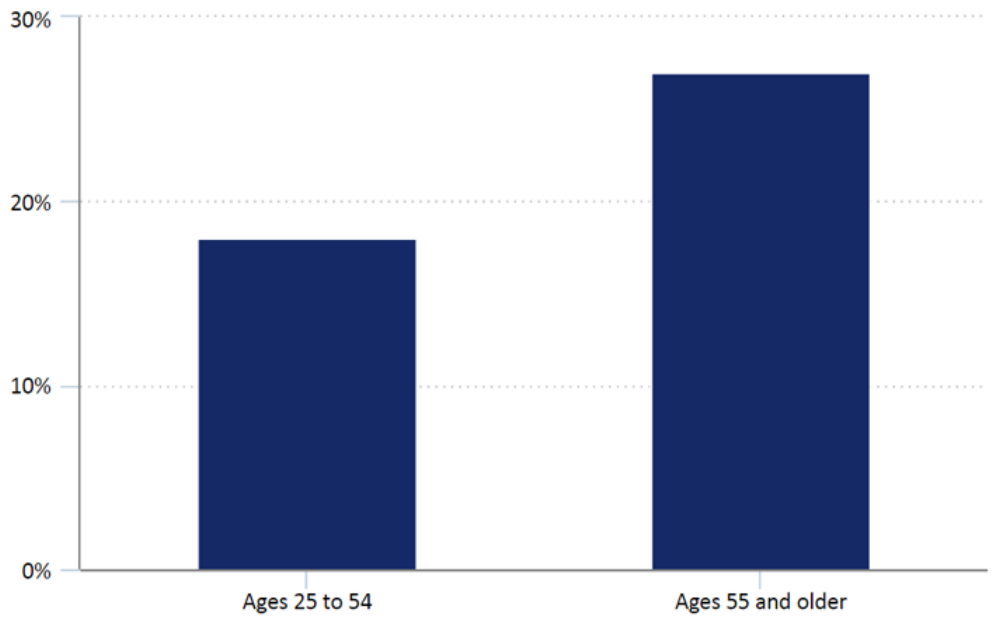
- Animal trainers
- Craft artists
- Door-to-door sales workers, news and street vendors, and related workers
- Farmers, ranchers, and other agricultural managers
- Fine artists, including painters, sculptors, and illustrators
- Fishing and hunting workers
- Hairdressers, hairstylists, and cosmetologists
- Massage therapists
- Musicians, singers, and related workers
- Photographers
- Tailors, dressmakers, and sewers
- Writers and authors

Part-time employment

Perhaps you enjoy your job but would prefer fewer hours. Maybe you're counting on a little income to pay for a favorite hobby. Consider joining the ranks of part-timers, an option many workers pursue to stay active.

BLS data show that about 27 percent of workers ages 55 and older, and 18 percent of workers ages 25 to 54, were part time (usually 1 to 34 hours per week) in 2016. (See chart 5.) For workers ages 65 and older, the rate of part-time employment is even higher: 40 percent.

Chart 5. Part-time employment of workers ages 25 to 54 and ages 55 and older, 2016 (percent)



Source: U.S. Bureau of Labor Statistics.

Plenty of jobs can be part time. Here are selected occupations with relatively high percentages of part-time workers in 2016, according to BLS:

- Amusement and recreation attendants
- Cashiers
- Combined food preparation and serving workers, including fast food
- Counter attendants, cafeteria, food concession, and coffee shop
- Crossing guards
- Dental hygienists
- Embalmers and funeral attendants
- Hosts and hostesses, restaurant, lounge, and coffee shop
- Library technicians
- Models, demonstrators, and product promoters
- Transportation attendants, except flight attendants
- Ushers, lobby attendants, and ticket takers.

For more information

Learn more about the occupations in this article, and many others, in the *Occupational Outlook Handbook*.

Detailed projections of the labor force are available from the BLS Employment Projections program. See this *Spotlight on Statistics*, "A look at the future of the labor force to 2060," for some of the most up-to-date projections.

Still other labor force data, including those for part-time and self-employed workers and for workers by age, are available from the Current Population Survey (CPS). The *Monthly Labor Review* article "Occupational choices of the elderly" analyzes CPS data to compare occupational distributions of workers ages 45 to 65 with those over 65.

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