Labor force participants are defined as individuals who are either working for pay, working in a family business, or unemployed and either looking for work or laid-off and waiting for recall. Older individuals who participate in the labor force have access to a source of income—earnings and wages-unavailable to non-participants. Employment may also provide access to valuable health insurance coverage for seniors and their families.

Seniors throughout the United States, including those within Massachusetts, report characteristically low rates of labor force participation, especially at the higher ages. Although a majority of those approaching later life (age 55-64) either work or are looking for work, only about 20% of these aged 65 and over participate in the labor force (see Figure 1). Overall, older workers aged 55 to 64 in Massachusetts are somewhat more likely than their counterparts in the United States as a whole to be participating in the labor force (71% versus 65% in 2009).

Participation trends of men and women in Massachusetts are very similar, with women having only slightly lower labor force participation rates at these ages (see Figure 2). Seventy-four percent of men aged 55 to 64 and 68% of women aged 55 to 64 were labor force participants in 2009. The rate of participation was substantially lower for those aged 65 and over (23% for men and 13% for women). Between 2001 and 2009 the labor force participation rates of older worker remained relatively stable.
Given the aging of the population, we can expect that the labor force in Massachusetts will increasingly be composed of people at or approaching later life. As seen in Figure 3, the share of the Massachusetts labor force that is aged 55-64 increased from about 10% in 2001 to 15% in 2009.

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