

Working longer: America's aging workforce and the baby boomers

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the oxford

The working-longer proposition assumes that most Americans can indeed work longer

- Positive average trends:
 - Better health than 50 years ago
 - More education
 - Less physically demanding work



Averages obscure as much as they reveal

- Major inequalities in:
 - Health and longevity
 - Family caregiving responsibilities
 - Job quality and stability
 - Local labor markets
 - Age discrimination and worker voice
 - Effects of unexpected shocks
- In the context of:
 - Rising economic inequality
 - Inadequate retirement savings systems
 - Lack of effective government response

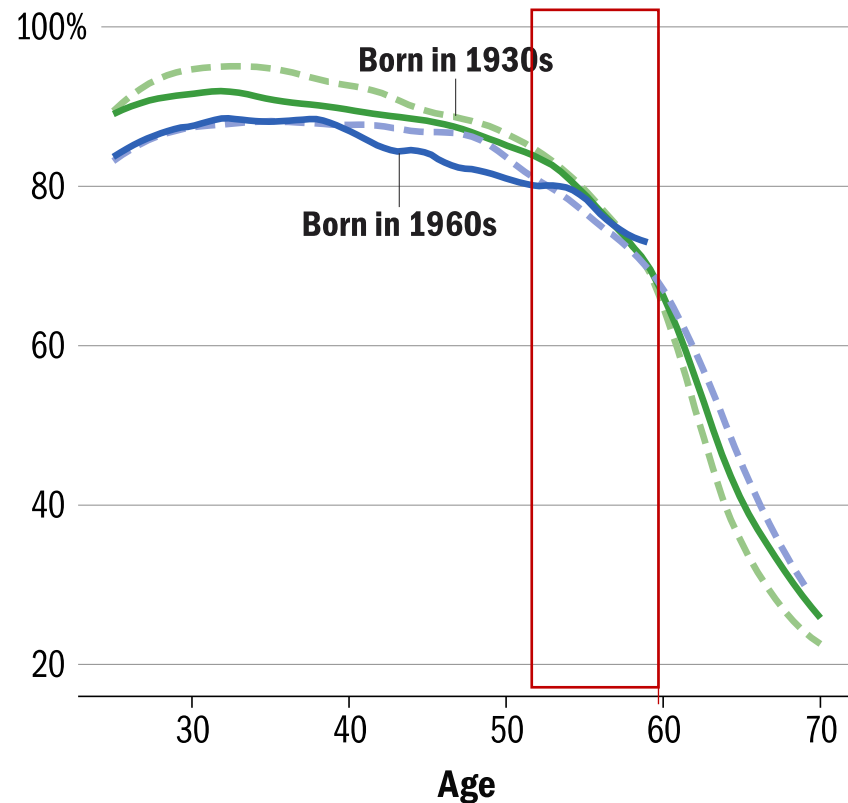


Who's Excluded from Working-longer Policy Conversation?

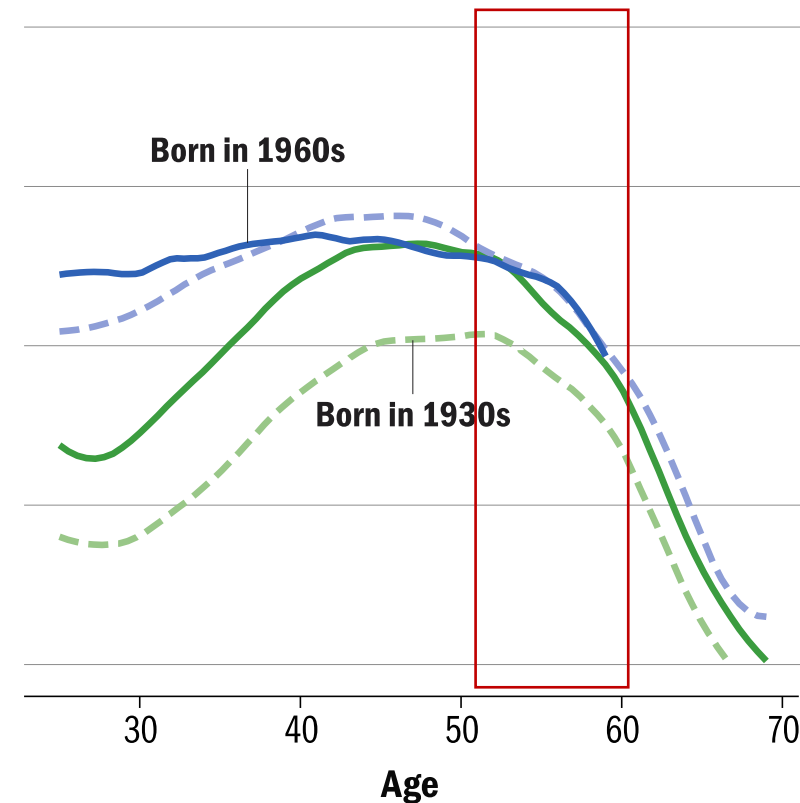
- People out of labor force by late 50s are invisible in working longer discussion
- **Working longer starts younger** than we think!
 - About **20% of men** and **30% of women** are **not employed by age 55**
 - Disproportionately people with lower levels of education
- Employment rates fall sharply for **ages 50 and 60** in all educational groups
 - Suggests working longer is an issue across the board

Employment rates are rising at older ages – but stalling or falling at younger ages

Men



Women



Birth cohorts

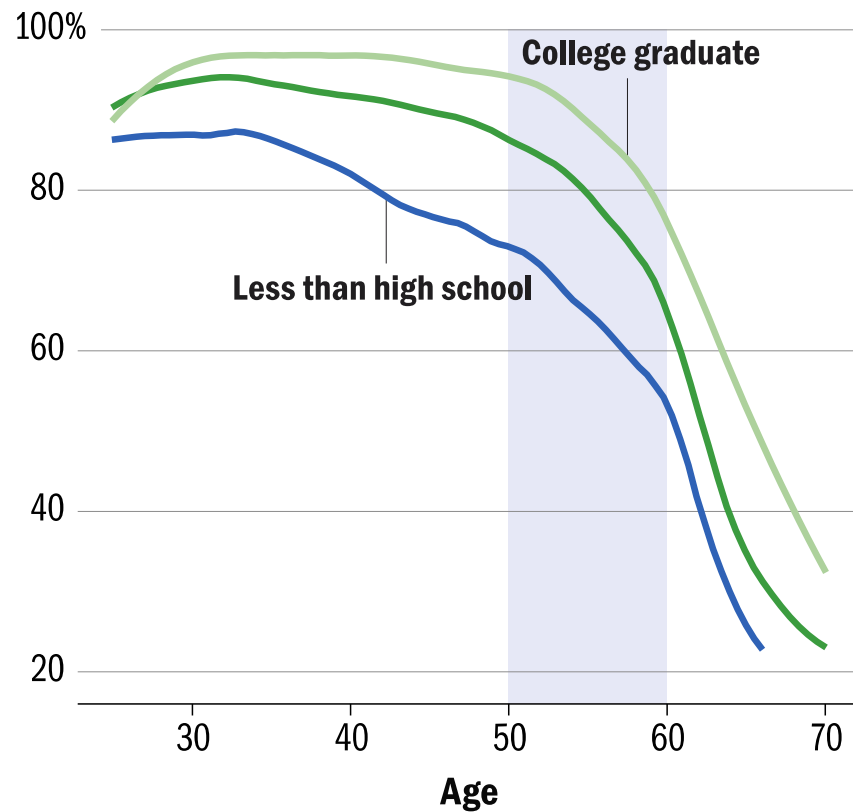
- 1930s
- 1940s
- 1950s
- 1960s

Truesdale, Berkman, & Mitukiewicz, *Overtime*

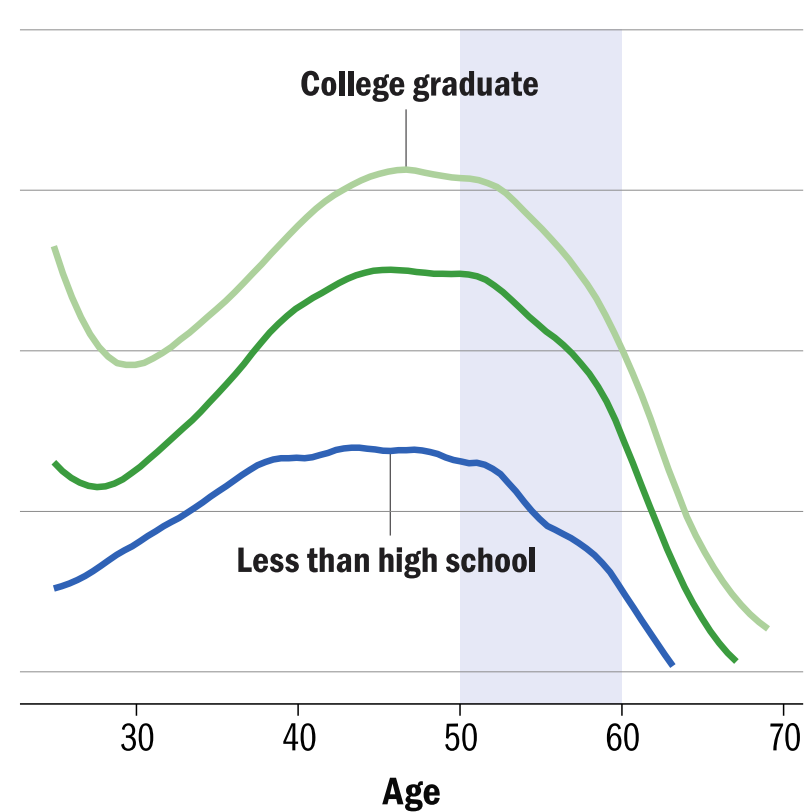
Note: Data from the 1962-2019 waves of the Current Population Survey (CPS).

Less-educated groups start from a lower base, but employment rates fall rapidly among all groups – by about 20 percentage points – between ages 50 and 60

Men



Women



- College graduate
- High school diploma
- Less than high school

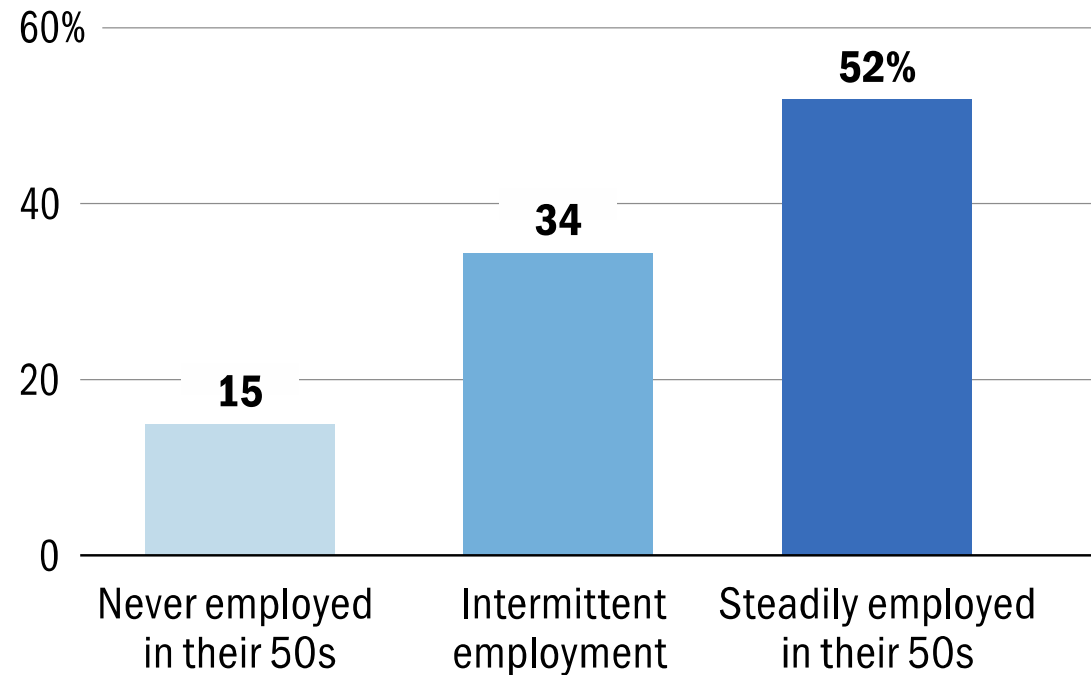
Truesdale, Berkman, &
Mitukiewicz, *Overtime*

Data: CPS-ASEC,
1930-59 birth
cohorts.

Only about **half** of older U.S. adults were steadily employed during their 50s

Employment stability between ages 51 and 61

Percentage of older U.S. adults

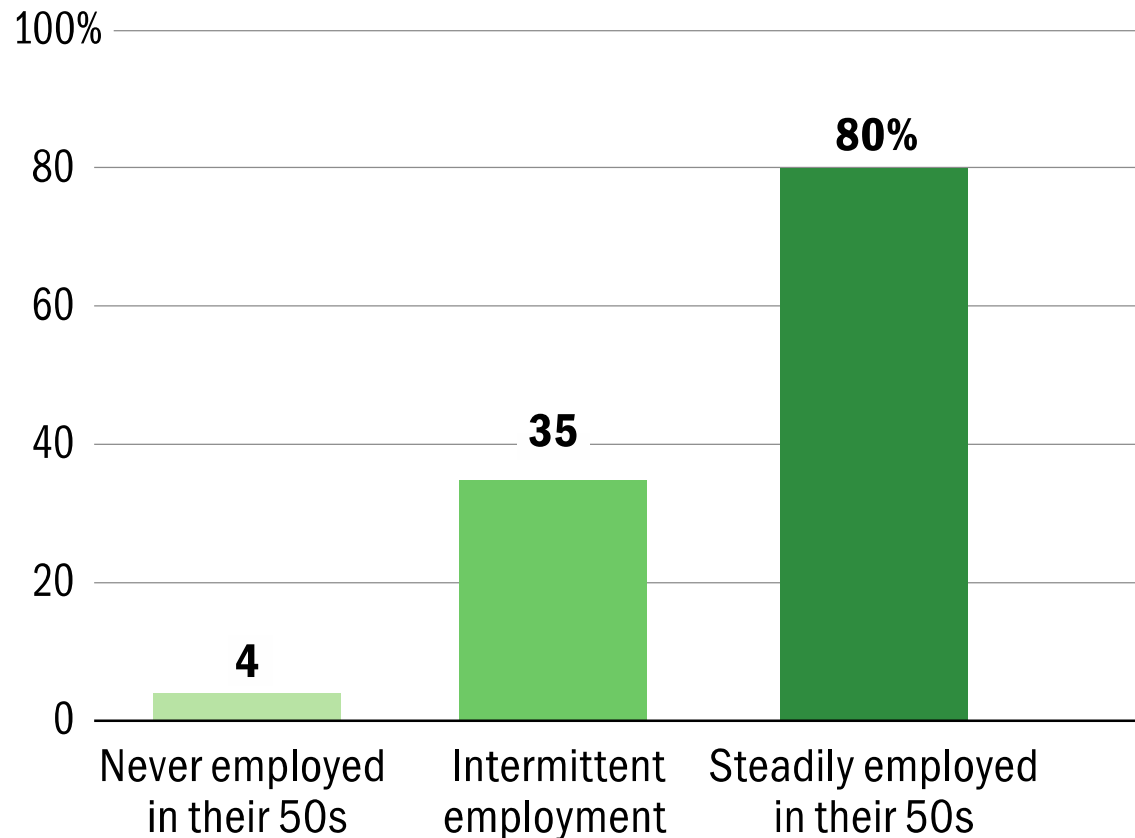


Truesdale, Berkman, & Mitukiewicz, *Overtime*

Data: Health and Retirement Study (HRS)

Lack of steady employment in one's 50s -> less likely to be working in one's 60s

Percent of U.S. adults who work between ages 62 and 66



Truesdale, Berkman, & Mitukiewicz, *Overtime*

Data: Health and Retirement Study (HRS)

Creating “good jobs”: A private and public sector responsibility

- Fair pay, benefits, and safe working environments are basic
- AND three social elements:
 - **Control at work:** Autonomy, task variety, schedule control, employee influence, and paid leave. Reduce volatile and unpredictable work schedules
 - **Tame excessive work demands:** Reduce time pressure from just-in-time scheduling, rapid pace of work, long working hours, and 24/7 expectations
 - **Improve social relationships at work:** Foster supervisory and coworker supportive relationships, create sense of belonging for marginalized and underrepresented employees, and create conditions for effective teamwork

Retirement and disability policy proposals

- Put ***Social Security*** on a sustainable financial footing by increasing revenues through taxation rather than cutting benefits
- Create a universal, automatic, and portable ***retirement savings plan*** as a complement to Social Security
- Implement ***early interventions*** to help newly injured or ill workers remain attached to the labor force
- Improve the speed and reliability of the ***Social Security Disability Insurance (SSDI) application process*** to minimize the insecurity and loss of work capacity that accompany long delays
- ***Update Supplemental Security Income (SSI)*** to raise federal disability benefits above the federal poverty level and ease restrictions on recipients

Retirement policy and labor force policy are flip sides of the same coin

- Working longer is **important but incomplete** response to population aging
- **Social and economic inequalities** put working longer in jeopardy for many older people
- Robust **retirement and disability policies** are essential complements to working-longer policies
- Working-longer policies must be supported by **“good jobs” policies** to succeed