

*Old Age - National conference on aging*

**FACT BOOK**  
**on the**

# EMPLOYMENT PROBLEMS of OLDER WORKERS

**Trends in population and labor force**

**Industrial and occupational trends**

**Employment experience**

**Extent and duration of unemployment**

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UNITED STATES DEPARTMENT OF LABOR  
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BUREAU OF LABOR STATISTICS  
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INDUSTRIAL RELATIONS

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This fact book presents basic data pertinent to the employment problems of older workers. The data have been selected with a view to providing background information for persons and organizations concerned with these and other problems of an aging population. Published and unpublished materials from a variety of sources have been used in compiling the fact book. The principal sources, in addition to the Bureau of Labor Statistics, were the Bureau of the Census, the Social Security Administration, and the Department of Labor's Bureau of Employment Security. Adequate current data are unfortunately not available on a number of key aspects of the employment problems of older workers. These gaps, in some instances, have been referred to in the text material.

## TRENDS IN POPULATION AND LABOR FORCE

### Number and Proportion of Older Persons in the Population

National trends. In 1900, about 3 million persons, or one in 25 in the population, was aged 65 or over. Persons between 45 and 64 years of age numbered nearly 10½ million, or about one in seven. In 1950, those aged 65 and over total 11½ million, or about one out of 13; the age group 45-64 has increased to 31 million, and includes one-fifth of the total population. By 1980, it is estimated, there will be over 22 million persons past 65, and 43 million between 45 and 64 years of age (table 1 and chart 1).

Underlying these changes in the age structure of the population have been the long-term decline in the birth rate, the cessation of large-scale immigration, and the increases in longevity resulting from advances in medical science and improvement of living standards.

Table 1. Persons aged 45 and over in the U. S. population, 1900-1980

Year	Number (in thousands)			Percent of total population		
	45 years and over	45-64 years	65 years and over	45 years and over	45-64 years	65 years and over
1900	13,480	10,400	3,080	17.8	13.7	4.1
1910	17,374	13,424	3,950	18.9	14.6	4.3
1920	21,963	17,030	4,933	20.8	16.1	4.7
1930	28,049	21,415	6,634	22.8	17.4	5.4
1940	35,103	26,084	9,019	26.7	19.8	6.9
1950	42,500	31,000	11,500	28.1	20.5	7.6
1960	50,500	35,600	14,900	-	-	-
1970	59,200	40,900	18,300	-	-	-
1980	64,900	42,700	22,200	-	-	-

Source: 1900-1950: U. S. Bureau of the Census. (Estimates for 1950 preliminary.)  
1960-1980: Projections adapted by Bureau of Labor Statistics from the U. S. Bureau of the Census, *Forecasts of the Population of the United States, 1945-1975* (1947). Assume "low" trend of mortality and net immigration of 1,000,000 persons each 5-year period after July 1, 1950.

Interstate differences. In general, as table 2 indicates, the highest proportions of persons aged 65 and over are found in New England, in the Great Plains States, and on the West Coast. In the Southern States, the proportion of aged persons tends to be relatively low. These differences result from geographic variations in birth rates and in mortality conditions, as well as from the effects of interstate migration.

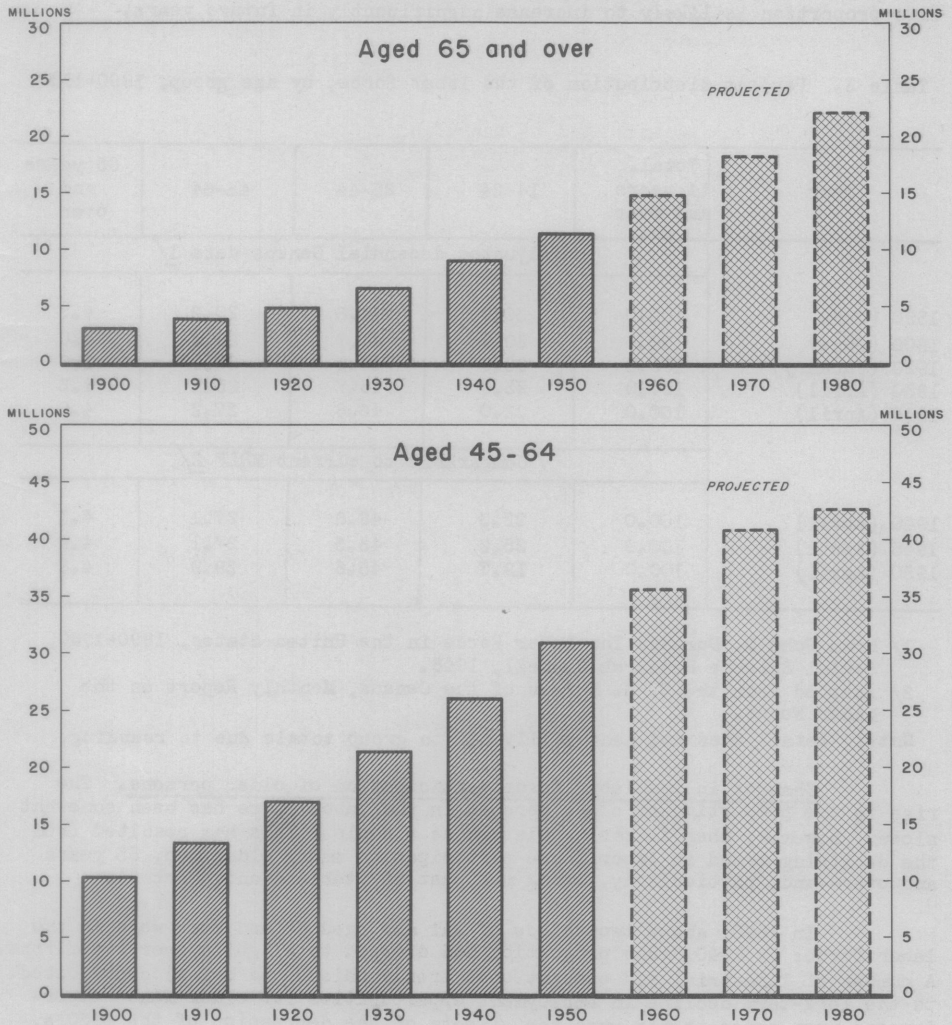
Table 2. Persons aged 65 years and over as a percent of total population, by State, July 1, 1948

<u>State</u>	<u>Percent</u>	<u>State</u>	<u>Percent</u>
United States	7.5	North Dakota	7.7
New Hampshire	10.1	Pennsylvania	7.5
Iowa	9.8	Florida	7.3
Kansas	9.7	New Jersey	7.3
Maine	9.6	Idaho	7.2
Vermont	9.6	Oklahoma	7.1
Missouri	9.3	Kentucky	7.0
Massachusetts	9.2	Arkansas	6.9
Nebraska	9.1	Maryland	6.8
Indiana	8.8	Michigan	6.8
Oregon	8.7	Nevada	6.7
Washington	8.5	District of Columbia	6.6
Wisconsin	8.5	Tennessee	6.4
Colorado	8.4	Texas	6.1
Minnesota	8.4	Virginia	6.0
Ohio	8.4	West Virginia	6.0
Connecticut	8.2	Wyoming	6.0
Montana	8.2	Georgia	5.8
South Dakota	8.2	Utah	5.8
California	8.1	Mississippi	5.6
Rhode Island	8.1	Alabama	5.4
Illinois	7.9	Louisiana	5.4
New York	7.8	Arizona	5.3
Delaware	7.7	North Carolina	4.9
		New Mexico	4.7
		South Carolina	4.7

Source: U. S. Bureau of the Census.

CHART I

## GROWTH IN THE NUMBER OF OLDER PERSONS



# Trends in the Labor Force Participation of Older Persons

Aging of the labor force. Accompanying the aging of the U. S. population has been a similar change in the age distribution of the labor force (table 3). In 1890, about one-fourth of the working population was aged 45 and over. Today, this age group constitutes over a third of the labor force. This proportion is likely to increase significantly in future years.

Table 3. Percent distribution of the labor force, by age group, 1890-1950

Year	Total, 14 years and over	14-24	25-44	45-64	65 years and over
<u>Adjusted decennial Census data 1/</u>					
1890 (June)	100.0	30.9	44.6	20.2	4.3
1900 (June)	100.0	30.9	44.7	20.4	4.0
1920 (January)	100.0	25.9	46.3	23.8	3.9
1930 (April)	100.0	23.9	46.7	25.1	4.3
1940 (April)	100.0	22.0	46.8	27.2	4.0
<u>Comparable to current MRLF 2/</u>					
1940 (April)	100.0	22.3	46.6	27.1	4.1
1945 (April)	100.0	25.2	43.3	27.1	4.4
1950 (April)	100.0	19.7	45.6	29.9	4.8

1/ From John D. Durand, The Labor Force in the United States, 1890-1960, Social Science Research Council, 1948.

2/ Adapted from the U. S. Bureau of the Census, Monthly Report on the Labor Force.

Note: Detail does not necessarily add to group totals due to rounding.

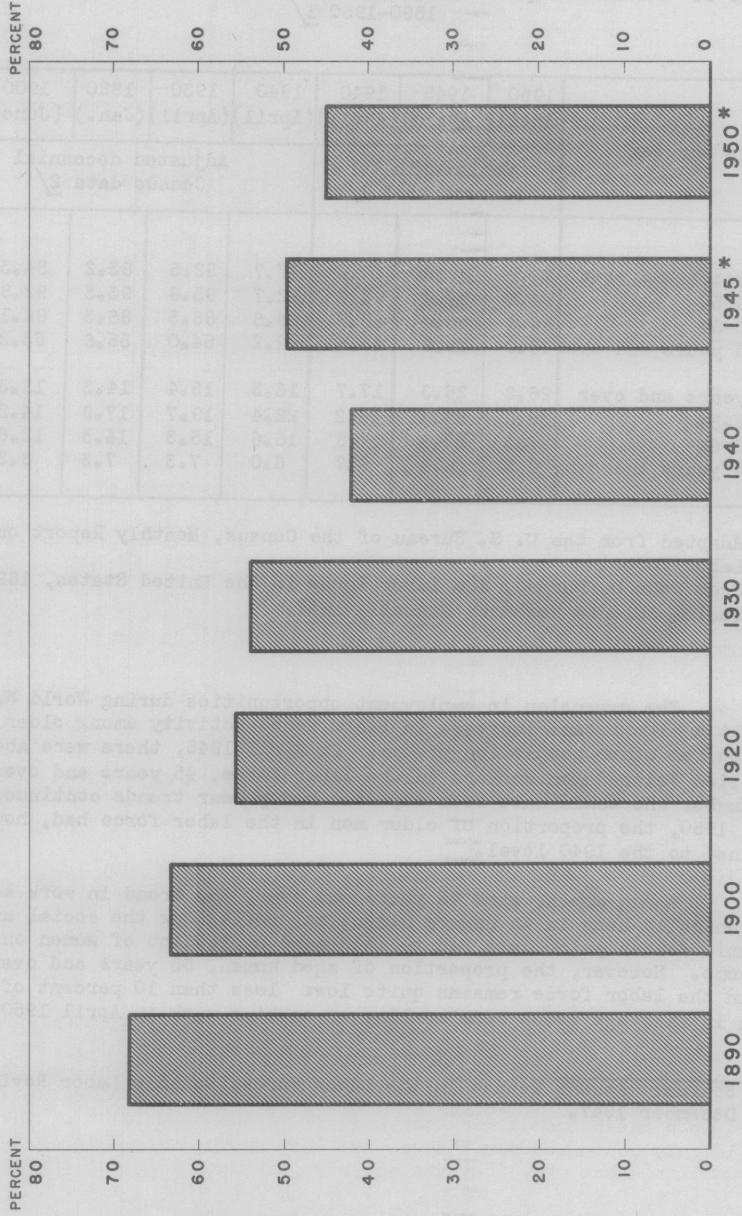
Changes in the labor force participation of older persons. The rise in the proportion of older persons in the labor force has been somewhat slower, however, than in the population as a whole. This has resulted from the declining trend in labor force participation among older men, 55 years and over--and, particularly, among men past 65 (table 4 and chart 2).

In 1890, about two-thirds of all men aged 65 and over were in the labor force; by 1940, this proportion had dropped to slightly over two-fifths. A number of industrial and occupational trends (discussed below) contributed to the long-term decline in employment opportunities for older men. Superimposed upon these trends were the effects of the depression of the 1930's, which largely accounted for the particularly sharp drop in labor force participation among men, 65 years and over, between 1930 and 1940.



CHART 2

# PERCENT OF MEN AGED 65 YEARS AND OVER IN THE LABOR FORCE



UNITED STATES DEPARTMENT OF LABOR  
BUREAU OF LABOR STATISTICS

Source: ADOPTED FROM U.S. BUREAU OF THE CENSUS DATA

\* NOT FULLY COMPARABLE WITH 1890-1940 DATA

Table 4. Percent of persons aged 45 years and over in the labor force, 1890-1950 1/

Age and sex	1950 (April)	1945 (April)	1940 (April)	1940 (April)	1930 (April)	1920 (Jan.)	1900 (June)	1890 (June)
	Comparable to current MRLF <u>1/</u>			Adjusted decennial Census data <u>2/</u>				
<b>Men</b>								
45 years and over	78.5	82.6	78.8	77.7	82.5	83.2	84.3	86.7
45-54	94.6	97.4	93.7	92.7	93.8	93.5	92.8	93.9
55-64	85.1	88.4	85.7	84.6	86.5	86.3	86.1	89.0
65 years and over	45.0	49.9	43.4	42.2	54.0	55.6	63.2	68.2
<b>Women</b>								
45 years and over	26.2	26.3	17.7	16.3	15.4	14.3	12.3	11.1
45-54	36.9	36.4	24.2	22.4	19.7	17.9	14.2	12.5
55-64	27.3	27.4	17.8	16.6	15.3	14.3	12.6	11.5
65 years and over	9.5	9.4	6.7	6.0	7.3	7.3	8.3	7.6

1/ Adapted from the U. S. Bureau of the Census, Monthly Report on the Labor Force.

2/ From John D. Durand, The Labor Force in the United States, 1890-1960, Social Science Research Council, 1948.

The expansion in employment opportunities during World War II brought a significant increase in labor force activity among older men, as well as for other population groups. In April 1945, there were about 1 million "extra" men workers in the labor force, 45 years and over, above the number who would have been expected had prewar trends continued. 1/ By April 1950, the proportion of older men in the labor force had, however, declined to the 1940 level.

Among women, aged 45 years and over, the trend in work activity has generally been in an upward direction, reflecting the social and economic forces which have led to increased employment of women outside of the home. However, the proportion of aged women, 65 years and over, who are in the labor force remains quite low: less than 10 percent of the women in this age group were working or seeking work in April 1950.

1/ Sources: Recent Trends in the Labor Force, Monthly Labor Review, December 1947.



### The Growing Gap Between the Total Life Span and the Working-Life Span

Life expectancy v. working-life expectancy. In 1900, a white male aged 40 had an average life expectancy of slightly under 28 years, or to age 67.7; he could expect, on the average, to remain in the labor force for 24.5 years, or to age 64 1/2 (table 6 and chart 3). He could anticipate, therefore, slightly over 3 years in retirement. These figures are, of course, averages, and allow for the fact that a large proportion of men would die before reaching retirement age, while others might experience substantial periods in retirement. By 1940, the 40-year-old white male could expect to live for an additional 30 years, or to age 70. His working-life expectancy had declined slightly, however, so that he could anticipate nearly 6 years in retirement.

For the future, a continued widening of this gap between the total life span and the working-life span seems likely. In 1975, the average retirement-life expectancy of a 40-year-old worker will have risen to nearly 9 1/2 years (assuming a continuation of 1920-1940 trends in labor force participation rates) or to almost 7 years (assuming the 1947 labor force participation rates).

These estimates of working-life expectancy and the comparisons with total life expectancy are based on tables of working life developed by the Bureau of Labor Statistics. In these tables, the techniques used in constructing conventional life tables have been applied to the measurement of working life. 1/

### Extent to Which Workers Eligible for Pensions Continue in Employment

The increase in the aged population, and the growing gap--for individual workers--between their total life and work-life expectancies, are basic factors underlying the establishment and recent expansion of social security and private pension programs. At the same time, there is evidence that substantial numbers of workers have preferred continued employment as an alternative to retirement, under old-age insurance benefits which have been available to them in recent years.

OASI experience. Of 2,125,000 living workers, aged 65 and over, who were eligible for old-age insurance benefits under the Social Security Act as of January 1, 1950, 839,000--or about two-fifths--were not receiving such benefits. All but a small percentage of the latter group consisted of workers who had either continued in covered employment, or returned to work, after age 65. 2/

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1/ For a full description of the construction and application of these tables, see: Tables of Working Life, Length of Working Life for Men, BLS Bulletin No. 1001 (in press).

2/ Source: Social Security Administration, Quarterly Summary of Wage, Employment and Benefit Data, May 1950.

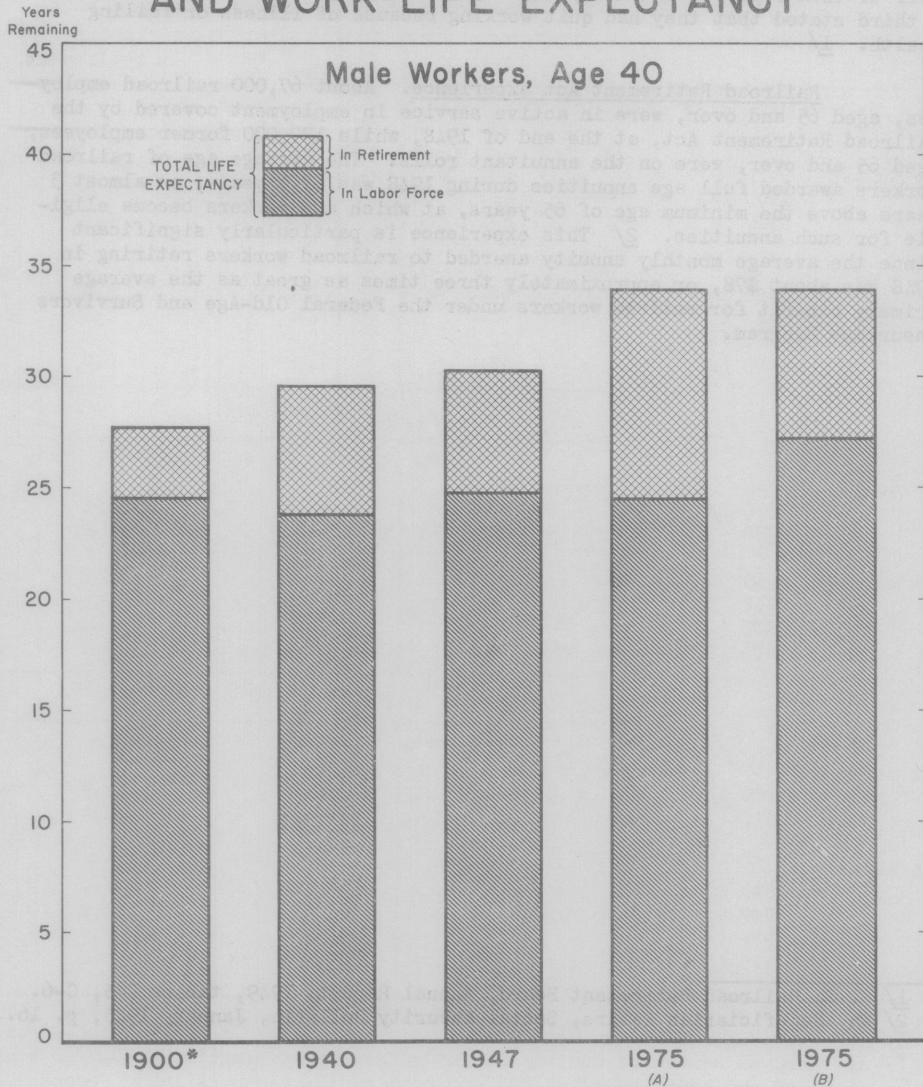
Table 5. Average number of remaining years of life, in labor force and in retirement; white males; 1900, 1940; total males, 1940, 1947, 1975

Year	Average number of years of life remaining		
	Total	In labor force <sup>1/</sup>	In retirement
At age 20			
White males:			
1900 <sup>1/</sup>	42.2	39.4	2.8
1940	47.7	42.0	5.7
Total males:			
1940	46.8	41.5	5.5
1947	48.0	42.8	5.2
1975 (A) <sup>2/</sup>	52.7	42.8	9.9
1975 (B) <sup>2/</sup>	52.7	45.9	6.8
At age 40			
White males:			
1900 <sup>1/</sup>	27.7	24.5	3.2
1940	30.1	24.2	5.9
Total males:			
1940	29.6	23.8	5.8
1947	30.2	24.8	5.4
1975 (A) <sup>2/</sup>	35.9	24.5	9.4
1975 (B) <sup>2/</sup>	35.9	27.2	6.7
At age 60			
White males:			
1900 <sup>1/</sup>	14.3	11.5	2.8
1940	15.1	9.2	5.9
Total males:			
1940	15.1	9.2	5.9
1947	15.3	9.7	5.6
1975 (A) <sup>2/</sup>	16.8	7.9	8.9
1975 (B) <sup>2/</sup>	16.8	10.5	6.3

<sup>1/</sup> Mortality data based on records of 11 original death registration States.  
<sup>2/</sup> A: Assumes continued decline in labor force participation rates for men, 55 years and over, based on 1920-40 trends. B: Assumes labor force participation rates at 1947 levels.

CHART 3

# TOTAL LIFE EXPECTANCY AND WORK-LIFE EXPECTANCY



Special surveys of OASI beneficiaries in 7 cities, conducted in 1941-42, indicated that only about 5 percent of 2,380 men receiving old-age benefits, who were interviewed, said they retired and filed for benefits because they wished to do so and while they were in good health. More than half of them reported that they were laid off by their employers and about a third stated that they had quit working because of illness or failing health. 1/

Railroad Retirement Act experience. About 67,000 railroad employees, aged 65 and over, were in active service in employment covered by the Railroad Retirement Act, at the end of 1948, while 177,000 former employees, aged 65 and over, were on the annuitant rolls. The average age of railroad workers awarded full age annuities during 1948 was 67.7 years, or almost 3 years above the minimum age of 65 years, at which age workers become eligible for such annuities. 2/ This experience is particularly significant since the average monthly annuity awarded to railroad workers retiring in 1948 was about \$78, or approximately three times as great as the average primary benefit for retired workers under the Federal Old-Age and Survivors Insurance Program.

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1/ U. S. Railroad Retirement Board, Annual Report, 1949, tables C-5, C-6.

2/ Why Beneficiaries Retire, Social Security Bulletin, January 1945, p. 16.

## INDUSTRIAL AND OCCUPATIONAL TRENDS

### Employment Characteristics of Older Workers

The relative proportions of older workers in various industries and occupations, offer a guide as to the types of work for which they may be best suited. Differences in age distribution by industry or occupation may also be due, however, to a wide range of other factors, such as past employment trends, the proportion of women employed, and the amount of training or experience required in the given field of work.

Occupation. The largest proportion of employed older workers are found among farmers, and—in lesser degree—among service workers and non-farm proprietors and managers (table 6). <sup>1/</sup> Relatively low percentages of older workers are found among farm laborers (a group including many unpaid family workers), among clerical and sales workers and among the operatives. The latter group, however, accounts for the largest number of employed workers, 45 years and over, among the major occupational fields.

Industry. Wide variations in the age distribution of workers employed, in 1947, in industries covered by OASI, are shown in table 7. The proportion of employed workers 45 years and over ranged from a high of about 50 percent in real estate firms, and 44 percent in anthracite coal mining, to one-fifth or less in the telephone and telegraph, automobile repair, and trucking industries. Among major manufacturing industries, the highest proportions of older workers were found in iron and steel, leather and leather products, lumber, and apparel.

Class of worker. The relative importance of self-employment rises sharply with age (table 8). While only one out of eight employed persons under age 45 was classed as self-employed in April 1950, over two-fifths of those past 65 were in this group. Many workers tend to open their own business, or work on their own account, after they acquire the requisite experience or capital. In part, however, this pattern is also the result of curtailed opportunities for wage or salaried employment at advanced ages.

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<sup>1/</sup> Among groups excluded from coverage of the OASI program in 1947 were the self-employed, agricultural workers, government employees, domestic servants, railroad workers, and certain other smaller groups of workers.

Table 6. Major occupational group of employed persons, by age group,  
April 1948

Occupational group	Total, 1/					Aged 45 years and over				
	aged 14					14-44				
	and over					Total				
	Number (in thousands)					65 years and over				
Total employed	58,330	37,909	20,424	17,681	2,743					
Professional and semiprofessional workers	4,097	2,748	1,349	1,176	173					
Farmers and farm managers	4,662	2,119	2,543	1,926	617					
Proprietors, managers, and officials except farm	6,381	3,428	2,953	2,574	379					
Clerical, sales, and kindred workers	10,958	8,235	2,723	2,499	224					
Craftsmen, foremen, and kindred workers	8,111	4,907	3,204	2,899	305					
Operatives and kindred workers	12,262	9,031	3,231	2,950	281					
Service workers	6,013	3,313	2,700	2,239	461					
Farm laborers and foremen	2,572	1,966	606	478	128					
Laborers, except farm and mine	3,277	2,162	1,115	940	175					
Percent distribution										
Total employed	100.0	65.0	35.0	30.3	4.7					
Professional and semiprofessional workers	100.0	67.1	32.9	28.7	4.2					
Farmers and farm managers	100.0	45.5	54.5	41.3	13.2					
Proprietors, managers, and officials except farm	100.0	53.7	46.3	40.3	5.9					
Clerical, sales, and kindred workers	100.0	75.2	24.8	22.8	2.0					
Craftsmen, foremen, and kindred workers	100.0	60.5	39.5	32.7	3.8					
Operatives and kindred workers	100.0	73.6	26.3	24.1	2.3					
Service workers	100.0	55.1	44.9	37.2	7.7					
Farm laborers and foremen	100.0	76.4	23.6	18.6	5.0					
Laborers, except farm and mine	100.0	66.0	34.0	28.7	5.3					

1/ Data do not necessarily add to the total shown, because of rounding.

Source: U. S. Bureau of the Census.

Table 7. Percent distribution by age group of workers with wage credits under OASI, by last industry employed, 1947

Industry	Total, 1/ all ages	Under 45 years	45 years and over		
			Total	45-64 years	65 years and over
Total 2/	100.0	73.3	26.8	23.7	3.1
Mining	100.0	66.7	33.3	30.2	3.1
Metal mining	100.0	67.0	33.0	29.4	3.6
Anthracite mining	100.0	55.6	44.5	40.2	4.3
Bituminous and other soft-coal mining	100.0	64.3	35.7	32.3	3.4
Crude petroleum and natural-gas production	100.0	72.7	27.1	25.4	1.7
Nonmetallic mining and quarrying	100.0	71.2	28.7	25.2	3.5
Contract construction	100.0	70.6	29.5	26.4	3.1
Manufacturing	100.0	72.2	27.7	24.6	3.1
Ordnance and accessories	100.0	71.6	28.4	25.9	2.5
Food and kindred products	100.0	74.6	25.4	22.6	2.8
Tobacco manufactures	100.0	73.8	26.2	23.1	3.1
Textile-mill products	100.0	71.8	28.1	24.9	3.2
Apparel and other finished products	100.0	70.1	30.0	26.6	3.4
Lumber and timber basic products	100.0	69.9	30.1	26.1	4.0
Furniture and finished lumber products	100.0	72.4	27.5	22.9	4.6
Paper and allied products	100.0	73.9	26.1	23.0	3.1
Printing, publishing, and allied industries	100.0	72.4	27.6	23.5	4.1
Chemicals and allied products	100.0	74.0	26.1	23.6	2.5
Products of petroleum and coal	100.0	72.8	27.3	26.4	.9
Rubber products	100.0	75.4	24.7	22.8	1.9
Leather and leather products	100.0	69.9	30.1	26.0	4.1
Stone, Clay, and glass products	100.0	72.8	27.2	24.1	3.1
Iron and steel and their products	100.0	68.4	31.6	28.5	3.1
Transportation equipment (except automobiles)	100.0	73.4	26.5	23.3	3.2
Nonferrous metals and their products	100.0	70.8	29.2	25.8	3.4
Electrical machinery	100.0	79.0	21.0	19.3	1.7
Machinery (except electrical)	100.0	70.3	29.6	26.8	2.8
Automobiles and automobile equipment	100.0	75.4	24.6	21.8	2.8
Miscellaneous manufacturing	100.0	71.4	28.5	25.0	3.5
Transportation, communication, and public utilities	100.0	76.4	23.5	21.6	1.9
Local railways and bus lines	100.0	65.0	34.9	31.3	3.6
Trucking and warehousing for hire	100.0	78.6	21.4	19.2	2.2
Water transportation	100.0	73.8	26.2	23.0	3.2
Other transportation and allied services	100.0	77.3	22.7	21.0	1.7
Communications: telephone, telegraph, & related services	100.0	83.1	17.0	16.1	.9
Utilities and other public services	100.0	68.4	31.6	29.5	2.1
Wholesale and retail trade	100.0	76.5	23.6	20.8	2.8
Wholesale trade	100.0	73.9	26.2	23.3	2.9
Retail trade 3/	100.0	77.3	22.7	20.0	2.7
Finance, insurance, and real estate	100.0	65.5	34.6	29.0	5.6
Banks and other finance agencies, and holding companies	100.0	70.0	30.0	25.0	5.0
Insurance	100.0	76.1	23.8	21.7	2.1
Real estate	100.0	49.1	50.9	40.9	10.0
Service industries	100.0	73.1	26.8	23.3	3.5
Hotels, rooming houses, camps, and other lodging places	100.0	63.6	36.3	30.7	5.6
Personal and business services	100.0	75.3	24.7	22.0	2.7
Automobile and miscellaneous repair services	100.0	79.4	20.6	18.1	2.5
Motion pictures	100.0	77.2	22.7	19.4	3.3
Amusement, recreation, and related services	100.0	76.2	23.8	20.0	3.8
Other service industries	100.0	71.1	28.8	25.0	3.8

1/ Percentages do not necessarily add to 100.0 percent, due to rounding.

2/ Includes workers covered under OASI in agriculture, forestry, and fishing; interstate railroads; establishments not elsewhere classified; and industry not reported. Excludes workers with ages not reported.

3/ Includes combined wholesale and retail trade establishments.

Source: Based on tabulation of 1 percent sample. Social Security Administration, Bureau of Old-Age and Survivors Insurance.



Table 8. Age distribution of employed persons, by class of worker  
April 1950

Age group	Total	Wage or salary workers	Self- employed workers	Unpaid family workers
Number (in thousands)				
Total, aged 14 and over	58,668	46,381	10,614	1,675
14-44 years	37,800	31,705	4,840	1,258
45 years and over	20,872	14,679	5,776	422
45-64	17,981	13,092	4,534	358
65 years and over	2,891	1,587	1,242	64
Percent distribution				
Total, aged 14 and over	100.0	79.0	18.1	2.9
14-44 years	100.0	83.9	12.8	3.3
45 years and over	100.0	70.3	27.7	2.0
45-64	100.0	72.8	25.2	2.0
65 years and over	100.0	54.8	43.0	2.2

Source: U. S. Bureau of the Census.

Note: Detail does not necessarily add to group totals due to rounding.

#### Effect of Long-Term Occupational Trends

Changes in the occupational and industrial distribution of employment in the United States, over a period of decades, have had the net effect of restricting employment opportunities of older workers (particularly for men past their fifties). The shift from a rural to a highly industrial economy is reflected in the long-term decline of farm employment and in the expansion of such occupations as semiskilled operatives and clerical and sales workers (chart 4). These shifts have operated to the net disadvantage of the older worker.

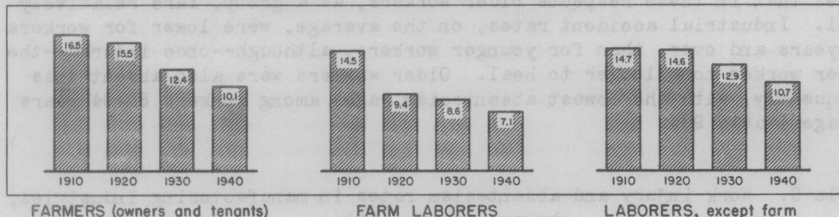
However, not all of the occupational and industrial trends have been unfavorable to older workers. Certain occupational groups in which older workers are well represented, such as service workers and nonfarm proprietors and managers, have accounted for an increasing share of total employment. The increasing importance of the professional occupations is also a favorable factor in the long-run employment outlook for older persons.

CHART 4

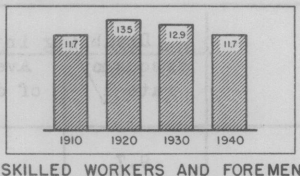
# OCCUPATIONAL TRENDS, 1910-1940

PERCENT OF TOTAL WORKERS ENGAGED IN EACH FIELD

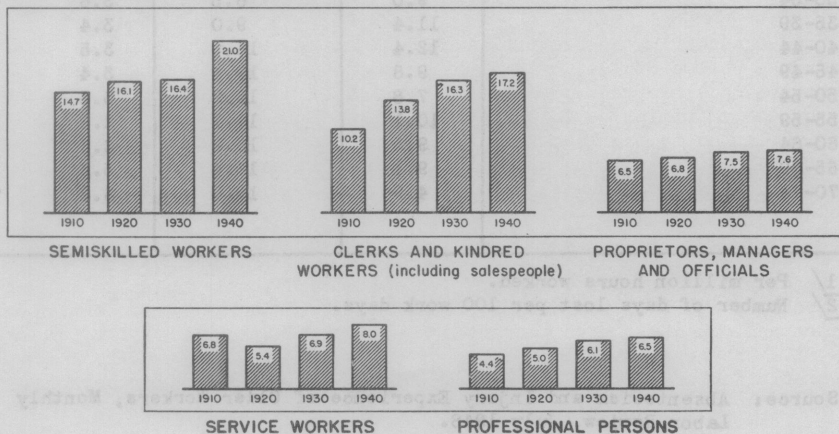
## FARM AND UNSKILLED LABOR OCCUPATIONS DECLINED...



## SKILLED WORKERS HELD THEIR OWN...



## ALL OTHER FIELDS INCREASED...



# EMPLOYMENT EXPERIENCE OF OLDER WORKERS

## Performance of Older Workers on the Job

Statistical data are almost entirely lacking on the productivity of older workers, compared to younger workers in the same occupation. However, a BLS study of work-injury and absenteeism experience, by age, indicates that in these respects older workers, as a group, fare relatively well. Industrial accident rates, on the average, were lower for workers 45 years and over, than for younger workers, although--once injured--the older worker took longer to heal. Older workers were also absent less frequently, with the lowest absenteeism rates among workers 55-64 years of age (table 9).

Table 9. Work injury and absenteeism rates in manufacturing industries, by age group, 1945

Age group	Disabling injuries		Absenteeism rate 2/
	Frequency rate 1/	Average days of disability	
All age groups	9.7	14.7	3.4
Under 20	19.8	4.0	5.5
20-24	4.0	23.4	4.9
25-29	9.2	13.3	4.3
30-34	9.0	6.5	3.6
35-39	11.4	9.0	3.4
40-44	12.4	16.5	3.5
45-49	9.8	19.4	3.4
50-54	7.8	16.2	3.3
55-59	10.1	19.1	2.8
60-64	9.5	16.2	2.9
65-69	9.1	12.4	3.3
70-74	4.9	15.0	3.2

1/ Per million hours worked.

2/ Number of days lost per 100 work days.

Source: Absenteeism and Injury Experience of Older Workers, Monthly Labor Review, July 1948.

Industry Practices Affecting Hiring, Utilization, and Separation of Older Workers

Age limits in hiring. Comprehensive data are not available on the actual extent of specific age restrictions in hiring. A study of job orders placed by employers with public employment offices in six cities in February 1949 provides some indication of the prevalence of these restrictions. Maximum age restrictions were specified in a high proportion of jobs referred by employers to local public employment offices, ranging from about 50 percent in Dallas to about 90 percent in Birmingham. 1/

Older worker protective clauses in collective bargaining agreements. Of a total of 2,425 collective bargaining contracts analyzed in the Bureau of Labor Statistics, 247 contained some specific protective provision applying to older workers. In addition, nearly all the agreements included seniority provisions, which, by linking job security with length of service, offer a substantial measure of protection to older employees in many industries.

Absence of a specific "older worker" provision in a collective bargaining agreement does not necessarily mean that an employer has no program for transferring or retraining workers who have grown old in the company's service and who are no longer able to carry on their regular duties. It is known that such programs do exist on a formal or informal basis, but data are not available on their nature and extent.

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1/ Source: Older Workers at the Public Employment Office, The Labor Market, June 1949.

The types of older worker protective clauses found in the 2,425 agreements analysed are summarized in the following tabulation:

Types of older worker protective clauses in  
247 collective bargaining agreements

<u>Type of provision</u>	<u>Number of agreements 1/</u>
<u>Hiring clauses</u>	
(No age limits; mandatory hiring of older workers; no discrimination for age; etc.)	23
<u>Retention clauses - on-the-job adjustment</u>	
Special transfer rights to light work	166
Pay and hours adjustments for older workers	113
<u>Joint study of jobs for older workers</u>	1
<u>Other</u>	5

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1/ These agreements are non-additive, since some agreements contained clauses which fell into more than one category.

The excerpts from a number of collective bargaining agreements presented below serve to illustrate the specific methods used to protect older workers:

Hiring Clauses

1. It is agreed by the Employer that on all new construction work or alterations where five (5) or more men are employed, one (1) older man shall be employed.
2. An employer employing ten (10) or more Journeymen shall take in his employ at least one Journeyman of fifty-five or more years of age for every ten (10) men in his employ, who shall receive the prevailing rate of wages set forth in this agreement.
3. The Company agrees that there shall be no established maximum age limit in the hiring of employees.
4. No discrimination for age.

### Retention Clauses

1. Employees who have given long and faithful service in the employ of the Company, and who have become unable to handle heavy work, shall be given preference on such light work as they are able to perform, as it may arise.

2. MANAGEMENT agrees that consideration will be given to any member, who because of advanced years, is not capable of maintaining the established rate of production on an operation, by transferring that member so incapacitated to an operation to his or her own department suited to his or her ability. It is understood, however, that such transfer shall not affect his or her seniority standing or possibility for promotion of any other member, but the parties agree, however, that these operations chosen by and between THE MANAGEMENT and the Executive Board of THE UNION may be set aside from the seniority order and reserved for older members of THE UNION, who are unable, because of advanced years, and/or other circumstances, to maintain the standard of production at their own operation.

3. A limited number of jobs at each plant, agreed upon by the Union Committee and the International Representative and the Superintendent, shall be available for employees incapacitated by age ..... Such jobs shall be filled by agreement without regard to seniority and bidding requirements.

4. Employees under the normal retirement age who have given long and faithful service and who, due to advanced age ..... are unable to perform their regular duties, shall be given such other type of work as is available and they are capable of performing. Company medical approval of such capability may be required.

5. Provision shall be made by agreement between the local Union Grievance Committee and Management for the placing of employees who have been injured or have become old or otherwise incapacitated from performing their regular work, in light jobs regardless of the seniority provisions of this Agreement. However, such employees may be displaced in accordance with the seniority provisions of this Agreement.

6. When an employee, after 12 years' service with the Company, becomes unable, due to old age, illness, or disability, to perform the work in his occupation at the established production rate and quality, or any employee who becomes disabled in performance of his work, shall:

- (a) Be given bumping rights in any occupation in which he holds seniority, and which he can perform.
- (b) If he does not hold seniority in an occupation which he can perform, the Union and the Company shall endeavor to find an occupation which he can perform regardless of seniority provisions.

7. In the case of a regular employee who has given long and faithful service and who is unable to carry on his regular work to advantage, the Company will attempt to place such employee on work which he is able to perform. In such cases, the other provisions of this Article shall not apply, and the employee shall be accorded seniority in his new job equal to that which he had in the job classification he left if he is transferred to an equal or lower job classification.

8. An employee who shall have attained the age of 50 years and who shall have completed 25 years of service with the Company shall have the special bidding rights defined herein. For each 1 year of attained age above 50, such 25-year Company service requirement shall be reduced by 1 year.

9. An employee with twenty-five (25) or more years of service with The Company, who cannot thereafter perform his regular duties due to some physical condition or other impairment, and is assigned to a work function which he is capable of performing, shall, for the duration of his employment by The Company, retain the same job title and continue to receive the same rate of compensation as theretofore, regardless of the range of pay attaching to the job classification for such work function, but shall not be eligible for wage increases beyond the maximum rate for that work function which he is performing.



# EXTENT AND DURATION OF UNEMPLOYMENT OF OLDER WORKERS

## Depression Experience

Under depression conditions, the employment problems of the older workers are greatly intensified. In 1940, following a decade of depression, workers past age 45, along with the youth, had the highest rates of unemployment (table 1). The pattern of duration of unemployment indicates that older workers were not being laid off at a greater rate than younger persons. It seems clear, however, that once unemployed, the older worker encountered especially great difficulty in finding another job. The percent of wage and salary workers who had been seeking work one year or more in April 1940 rose from less than 3 percent in ages 25-44 to well over 6 percent after age 55 (chart 5).

Table 10. Percent of wage and salary workers in each age group seeking work, by duration of unemployment, April 1940

Age group	Total experienced wage and salary workers	Percent seeking work			
		Total	Under 6 months	6 to 11 months	12 months and over
14-24	100.0	14.5	7.5	3.4	3.6
25-34	100.0	8.9	4.4	1.8	2.7
35-44	100.0	8.5	3.8	1.8	2.9
45-54	100.0	10.3	4.1	2.1	4.1
55-64	100.0	13.6	4.5	2.8	6.3
65 years and over	100.0	13.1	3.9	2.6	6.6

Source: Adapted from 16th Census of Population, the Labor Force, Employment and Personal Characteristics, U. S. Bureau of the Census.

### Postwar Period

Even in 1948, a period of "minimum" unemployment generally, unemployment rates for wage and salary workers aged 45 or over were significantly higher than for younger adults. Moreover, the average duration of unemployment for workers aged 65 and over was twice as great as for the teen-age unemployed, according to unpublished Census data.

With the rise of unemployment after 1948, older workers were especially hard-hit. Between the first quarter of 1948 and the corresponding period of 1950, the unemployment rate for all wage and salary workers increased by slightly less than 80 percent, while the rate for workers aged 45-64 more than doubled (table 11 and chart 6). In part, this was due to the fact that most of the industries that experienced the greatest employment declines had especially large proportions of workers of mature age, particularly men, but there was evidence, too, of higher average duration of unemployment for older workers.

Table 11. Unemployment rates for wage and salary workers,  
by age group, first quarter 1948 - first quarter 1950

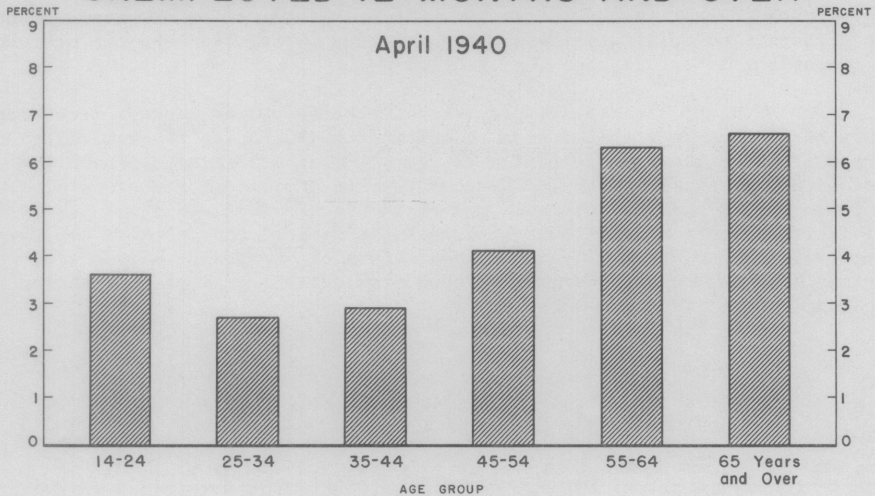
Age group	Unemployment rate 1/		Percent increase in rates
	First quarter 1950	First quarter 1948	
Aged 14 and over	8.9	5.0	78
14-24	13.5	8.8	53
25-44	7.0	3.6	94
45 and over	8.5	4.3	98
45-64	8.3	4.0	108
65 years and over	9.8	6.0	63

1/ Percent of wage and salary workers unemployed. Estimated by the Bureau of Labor Statistics from Census data. A breakdown of the unemployed by class of worker was not available but it was assumed for this purpose that all the unemployed could be classed as wage and salary workers.

Older workers have benefited, along with other groups in the working population, from the marked improvement in the employment situation that began in the spring of 1950. However, their unemployment rates in the second quarter of 1950 continued significantly above the rates for younger adult workers.

CHART 5

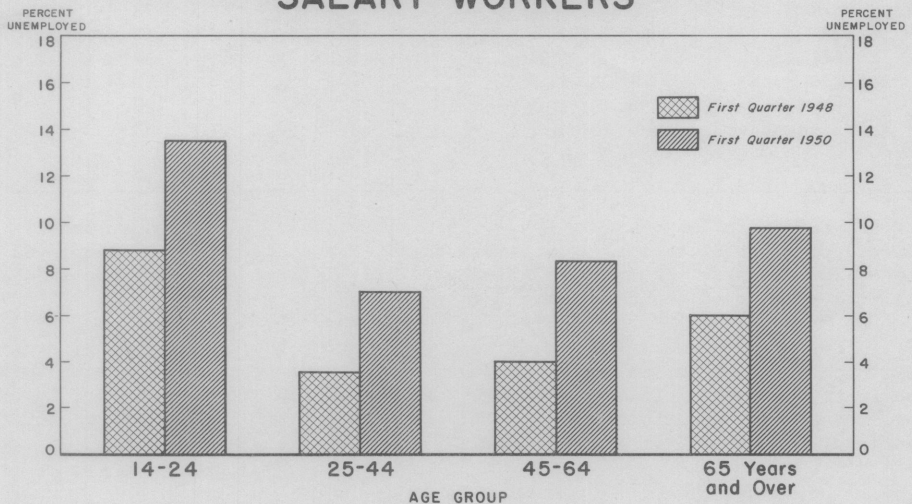
## PERCENT OF WAGE AND SALARY WORKERS UNEMPLOYED 12 MONTHS AND OVER



Source: U.S. BUREAU OF THE CENSUS

CHART 6

## UNEMPLOYMENT RATES FOR WAGE AND SALARY WORKERS



UNITED STATES DEPARTMENT OF LABOR  
BUREAU OF LABOR STATISTICS

Source: U.S. BUREAU OF THE CENSUS