

# Trained Manpower Going to Waste?

## Employment Services Survey Job Prospects of Older Applicants

U.S. Bureau of employment security

THE dramatic advance in the age of the population has brought in its wake a number of challenging problems--medical, social, political, and economic. It is the latter field of problems, particularly those relating to the employment of older workers, that has been the continuing concern of the U. S. Employment Service and affiliated State Employment Services. In every one of the 1800 local offices blanketing the country, the drama of older workers seeking opportunity to participate in the economic life of the country is enacted daily.

To determine the extent and nature of the older-worker problem, the Bureau of Employment Security sponsored a survey in five major cities--Columbus, Ohio; Houston, Texas; Lancaster, Pennsylvania; Los Angeles, California; and New York City. Begun early in 1950 the survey was continued over a period of 4 months. It was directed not only to the collection of information on the labor market aspects of older worker employment but, more particularly, to the development and testing of specialized counseling, placement and related techniques designed to assist older workers in obtaining successful job placement.

This analysis, however, relates only to the labor market aspects of the investigation and is based upon information obtained at four of the five public employment offices covered in the survey. To preserve comparability of data, Los Angeles has been omitted.

### The Survey Findings

The findings, so far as the labor market aspects are concerned, of the survey demonstrated:

1. Employment opportunities for older workers vary with conditions in the labor market; that is, opportunities are generally better when available labor supplies are more limited. However, even in such relatively "tight" areas, age restrictions in hiring are common.
2. Although the job tenure of the older worker is no less secure than that of his younger shopmates, once unemployed, the older worker remains out of a job for a longer period of time.
3. There seems to be a tendency for older workers to "gravitate" toward service jobs and skilled occupations.
4. These occupations, along with the unskilled ones showed the smallest proportion of age restrictions. Employer resistance was heaviest in the clerical, sales, managerial, and professional fields.
5. The concept of an older worker is an elastic one. Age restrictions vary from 25 years in some occupations to 65 in others.

### Some Background Data

At the opening of the twentieth century, only 18 out of every 100 persons in the United States had reached their 45th birthday. At the mid-century mark,

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however, 28 percent of the population were 45 years of age or older.

The aging of the population also affected the age of the labor force--but to a lesser degree. While, in 1900, 24 percent of the labor force consisted of older workers, 50 years later about 34 percent of the workers were in this age group.

However, the extent to which older persons, particularly the 65 and over group, participate in the labor market has been diminishing through the years. At the turn of the century, 63 percent of these oldsters were productively employed. In 1950 (April), only 45 percent were working or seeking work. This downtrend would have been even greater had it not been partially offset by the growing movement of women from the household into the labor market. In short, we have been witnessing the population extend its total-life span while decreasing its working-life span. Consequently, an ever-growing number of persons are experiencing an ever-longer period of economically non-productive years.

This nonparticipation is not, for the most part, what the older person prefers. It results rather from the pattern of employer resistance to hiring older workers.

The Employment Service is concerned with this problem for two important reasons. First, it has a responsibility to assist all workers, without regard to age, to find suitable employment for which they are qualified. And, second, there is the additional responsibility, particularly marked during the present emergency period, to maximize our labor supplies and reserves. Older workers have proved to be one of our most useful sources of trained manpower.

From an employment point of view, it is not possible to define an older worker in terms of the number of birthdays he has celebrated. Some athletes may be "older" workers at 30, while skilled

craftsmen at twice that age are eagerly sought by employers. At a recent National Conference on Aging<sup>1/</sup> an older worker was defined as, "one who meets with resistance to employment, continued employment, or re-employment solely because of his age."

That the concept of an older worker varies widely--depending upon occupation, industry, individual qualities, and labor market conditions--was clearly demonstrated in the four areas studied. However, for expediency of analysis and presentation, it was necessary arbitrarily to define older workers at those 45 years of age and older.

#### Survey Covers 342,000 Job Seekers of All Ages

During the course of this study, the characteristics of 342,000 workers were reviewed. The Columbus survey covered 13,800 job applicants; Houston, 13,600; Lancaster, 2,700; and in New York information was collected on 249,500 workers claiming unemployment insurance benefits in April 1950. However, an additional study was made in New York of all job seekers (62,400) who contacted the placement offices during the week of May 22-26. When possible the New York City analysis relates to the latter group since it is more representative of all unemployed workers. Any discussion concerning the claimants only is designated as such. Over 13,000 job openings in the four offices were also analyzed so that the pattern of hiring specifications, as they relate to age, could be determined.

In Lancaster and New York the composition of the job seekers was markedly affected by the unique industrial characteristics of the area. Apparel and related products accounted for 36 percent of the estimated manufacturing employment in

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<sup>1/</sup> Conference on Aging, sponsored by the Federal Security Agency, August 13-15, 1951, Washington, D.C.

New York, far outnumbering any other major manufacturing group. In Lancaster, 15 percent of manufacturing employment was in apparel and textiles. This concentration, as will be shown, strongly influences the characteristics of the workers and job seekers in these areas.

### Older Workers Comprise Large Proportion of Job Seekers

In each of the four areas studied, older workers made up a large part of the job applicants--28 percent in Columbus and Houston, 31 percent in New York, and 40 percent in Lancaster. Nationally, according to Census estimates, the same group accounted for 33 percent of the total unemployed.<sup>2/</sup> In Lancaster, job seekers 65 years of age and over were responsible for a very large proportion of unemployment among the older group. The Lancaster employment office attributed this high proportion to the prevalence of compulsory retirement at age 65 in many firms in the area.

As is true of the total unemployed, a higher proportion of men than of women

<sup>2/</sup> For the purposes of this study, all job applicants are assumed to be unemployed.

Table 1. Percentage Distribution of Unemployed Persons in U.S. 1/ and of Job Applicants in Selected Employment Service Offices by Age Groups -- April 1950 2/

Area And Sex	Number	100	Percent of Total in Age Group			
			All Ages	14-24	25-44	45-64
<b>Total</b>						
United States	3,515,000	100	29	38	29	4
Columbus	13,758	100	21	50	25	4
Houston	13,592	100	21	51	26	2
Lancaster	2,715	100	22	38	27	13
New York	62,393	100	21	49	27	3
<b>Men</b>						
United States	2,628,000	100	28	37	30	5
Columbus	10,328	100	20	51	26	3
Houston	10,507	100	19	50	28	3
Lancaster	1,625	100	22	37	25	16
New York	29,633	100	23	44	28	5
<b>Women</b>						
United States	987,000	100	32	42	24	2
Columbus	3,430	100	23	53	22	2
Houston	3,085	100	26	54	20	0
Lancaster	1,090	100	23	39	30	8
New York	32,760	100	20	51	27	2

1/ Source: Bureau of the Census, Monthly Report on the Labor Force, April 1950.

2/ Data for Columbus relate to February 1950 and for New York to May 1950.

were unemployed older workers in each area. The only significant difference from the national ratios existed in Houston where 20 percent of the women applicants as compared to 31 percent of the men were 45 years of age or over. In the other three areas, the proportion of older workers among men and women differed less than among the total unemployed in the Nation--especially in Lancaster and New York where it was probably due to the importance of apparel and textiles. Not only do these two industries employ high proportions of women but also relatively more older workers than do all manufacturing industries, according to Old Age and Survivors' Insurance data.

### Older Workers Shift to Service and Skilled Occupations<sup>3/</sup>

Many factors contribute to a change in a worker's occupation as he grows older. Among these are the acquisition of a higher degree of skill with the years of experience, the desire to improve one's position, technological changes in a dynamic industrial society, physiological changes in the worker which may necessitate an occupational adjustment, and barriers to re-employment of an older worker in his usual occupation.

Occupationally, the most significant shifts with advancing age revealed in the four areas studied were increases in the proportions of service and skilled workers. All other occupational categories, except semiskilled in New York, showed a smaller proportion among older as compared to younger workers, with the greatest divergence in clerical and sales and entry occupations.

The sharpest difference between younger and older men in any occupational group was noted in Lancaster. Twenty-three percent of the older men were

<sup>3/</sup> Data for New York in this section are related to unemployment insurance claimants and are not strictly comparable to those for other areas.

Table 2. Percentage Distribution of Job Applicants Among Major Occupational Groups by Area, Sex, and Age Group

Area, Sex, and Age Group	Number	Percent of Total							Entry
		All Occ.	Prof. & Manag.	Cler. & Sales	Serv-ice	Skilled	Semi-Skilled	Un-Skilled	
<u>Columbus, Ohio</u>									
All Applicants	11,831	100	5	16	14	19	20	21	5
Age 45 & over	3,644	100	4	12	18	28	18	20	0
All Men	8,423	100	6	8	10	25	23	23	5
Age 45 & over	2,781	100	4	7	14	34	19	22	0
All Women	3,408	100	3	34	25	4	13	17	4
Age 45 & over	2,545	100	3	27	29	8	16	16	1
<u>Houston, Texas</u>									
All Applicants	13,592	100	5	12	16	25	16	21	5
Age 45 & over	3,960	100	4	10	17	37	11	20	1
All Men	10,507	100	5	6	11	32	18	24	4
Age 45 & over	3,248	100	4	5	15	42	11	22	1
All Women	3,085	100	1	36	32	4	10	12	5
Age 45 & over	612	100	2	35	27	9	12	11	4
<u>Lancaster, Pa.</u>									
All Applicants	2,715	100	3	9	11	17	26	31	3
Age 45 & over	1,090	100	2	5	18	19	26	30	0
All Men	1,625	100	3	8	12	26	20	27	4
Age 45 & over	678	100	2	5	23	28	15	27	0
All Women	1,090	100	1	12	11	3	34	38	1
Age 45 & over	412	100	1	6	9	5	43	35	1
<u>New York, N.Y. 1/</u>									
All Claimants	249,486	100	5	14	10	18	36	16	1
Age 45 & over	103,779	100	4	9	12	25	38	12	0
All Men	148,463	100	6	10	12	21	32	17	2
Age 45 & over	68,645	100	5	7	15	26	34	13	0
All Women	101,023	100	3	21	6	12	43	14	1
Age 45 & over	35,134	100	2	12	7	22	46	11	0

1/ Data for New York include only unemployment insurance claimants.

service workers in contrast to but 4 percent of those under 45 years of age. In each of the other areas, approximately 15 percent of the older men were service workers, representing marked increases over the proportion of younger men so classified.

Changes in the occupational pattern between younger and older women applicants were greatest in the clerical and sales, skilled and semiskilled groups. The proportion of older women in clerical and sales occupations was smaller, and in skilled and semiskilled larger, than among younger women.

#### Older Workers Unemployed Longer

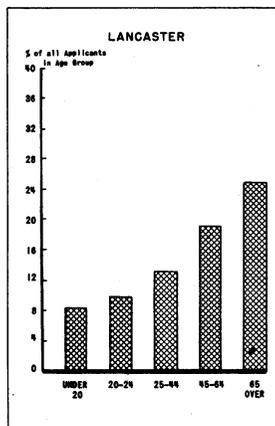
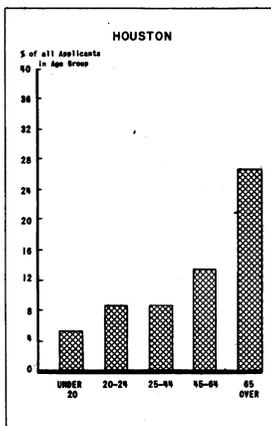
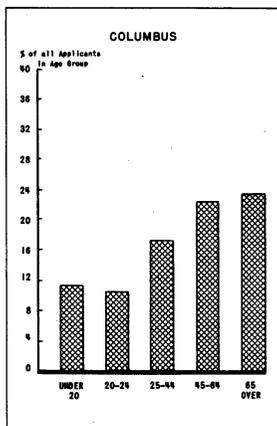
In the past several years, the job tenure of the older worker has been strengthened in many ways. Nearly all collective bargaining agreements contain seniority provisions which offer some

measure of protection to older employees. In addition, some agreements contain more specific protective provisions applying to older workers. However, protection of the employed older worker does not alleviate his problems when he is seeking re-employment. Such plans and provisions do not insure continuing employment. Depressed areas and industries develop, even in periods of very high employment. Displacement occurs as individual industries, plants, and occupations shrink or are replaced by others. Such changes throw thousands of workers, including many older workers, into the ranks of the unemployed.

Once unemployed, older workers--and especially those 65 and over--remain out of work for longer periods than younger workers. This fact was illustrated by the length of time applicants had been seeking work in three of the areas studied. (Data for New York were biased since

# JOB APPLICANTS SEEKING WORK OVER TWENTY WEEKS AS A PERCENT OF ALL APPLICANTS IN AGE GROUPS

APRIL 1950



they related to claimants only, and included a large number of apparel workers who were laid off in the immediately preceding weeks.)

For example, in Houston, 21 percent of the older workers as compared to less than 12 percent of those under 45 years of age had been seeking the assistance of the employment office for more than 20 weeks. The proportion of those unemployed for such a period of time ranged from nearly 27 percent for those 65 years of age and over down to 5.3 percent for those under 21 years of age. Conversely, 21 percent of those 45 and over had been registered for work less than 4 weeks, whereas 30 percent of the younger workers (under 45) had been unemployed for so short a time. The proportion unemployed under 4 weeks also covered a wide range among the various age groups--from 7.5 percent for those 65 years and over up to 35.6 percent for those under 21 years of age.

Table 3. Job Applicants Seeking Work Under Four and Over Twenty Weeks as a Percent of All Applicants in Age Groups by Area

Age Group	Columbus	Houston	Lancaster	New York <sup>1/</sup>
<b>Under 4 Weeks</b>				
Total	24.3	22.1 <sub>2</sub>	26.6	45.7
Under 20	33.7	35.6 <sub>2</sub>	33.1	48.8
20 - 24	27.5	26.3 <sub>2</sub>	32.2	44.1
25 - 44	26.1	23.0	29.7	45.3
45 - 64	18.8	16.2	24.7	47.9
65 & over	18.0	7.5	14.6	36.9
<b>Over 20 Weeks</b>				
Total	17.5	10.1	15.4	10.1
Under 20	11.4	5.3 <sub>2</sub>	8.1	7.6
20 - 24	10.5	8.6 <sub>2</sub>	9.8	10.6
25 - 44	17.2	8.6	13.1	9.5
45 - 64	22.4	13.3	19.1	10.1
65 & over	23.4	26.8	24.9	14.7

<sup>1/</sup> Data for New York include unemployment insurance claimants only.

<sup>2/</sup> Includes applicants under 21 years of age.

<sup>3/</sup> Includes applicants 21 - 24 years of age.

Columbus and Lancaster showed similar patterns. In each, a considerably larger proportion of the older than the younger workers had been unemployed for more than 20 weeks.

## Restrictive Age Specifications Widespread

Although there is broad divergence in employer attitudes, both formal and informal discriminatory age hiring policies are widespread. In part, such policies stem from a desire to secure the best available workers, which, in the opinion of the employer, oftentimes excludes the older workers. It is a rather general conception that age is a badge of reduced productivity and efficiency.

It is generally recognized that specifications become less rigid when the labor supply is scarce. However, even in relatively tight labor markets, age hiring restrictions are prevalent. This was evidenced by a study of employer requests for workers and the job openings listed with the public employment offices in three of the four areas conducting the studies. In Columbus, an area of moderate labor surplus in March (unemployment estimated between 5 and 7 percent

of the labor force), 72 percent of nearly 4,000 orders <sup>4/</sup> contained age restrictions. The labor market was tighter in Houston and Lancaster (unemployment estimated between 3 and 5 percent of the labor force) and fewer age restrictions were noted. Nevertheless, 52 percent of 5,300 employer orders in Houston and 60 percent of 500 job openings in Lancaster carried age limitations.

The experience in New York ran contrary to the generally expected increase in rigidity of specifications in areas which have a more abundant labor supply. Despite the fact that a substantial labor surplus (unemployment estimated between 7 and 12 percent in March) existed in New York throughout the period of the survey, only one-fourth of 3,500 job

<sup>4/</sup> An order is a specific employer's request for one or more workers in one occupation.

## PERCENT OF JOB OPENINGS WITH AGE RESTRICTIONS BY OCCUPATIONAL GROUPS

APRIL 1950

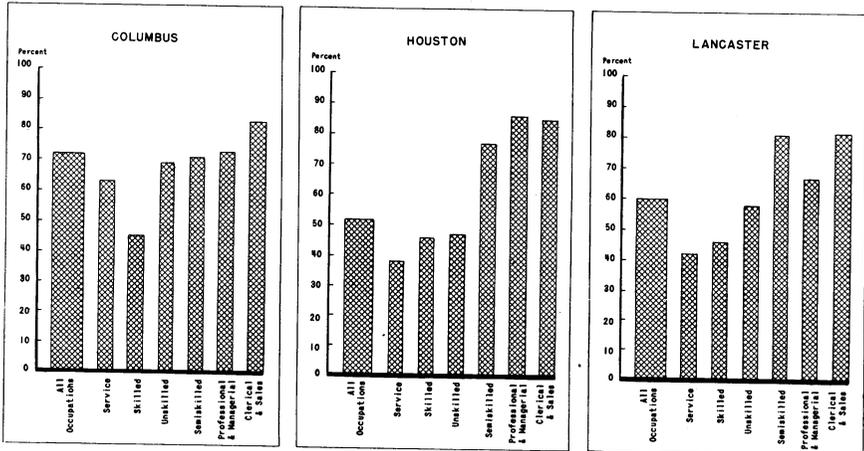


Table 4. Job Orders<sup>1/</sup> and Openings for Workers Received by Public Employment Offices and Proportion with Age Restrictions by Major Occupational Group, by Sex and Area

Area	Total	Major Occupational Group					
		Prof. & Manag.	Cler. & Sales	Serv-ice	Skilled	Semi-Skilled	Un-Skilled
<b>Total</b>							
<u>Number</u>							
Columbus	3,925	108	1,758	708	410	445	506
Houston	5,295	35	643	1,766	523	624	1,704
Lancaster	511	6	94	188	41	84	98
New York	3,504 <sup>2/</sup>	171	664	422	341	1,649	160
<u>Pct. of Tot. with age restr.</u>							
Columbus	72%	73	83	63	45	71	69
Houston	52	86	85	38	46	77	47
Lancaster	60	67	82	42	46	81	58
New York	25	30	54	23	10	9	72
<b>Men</b>							
<u>Number</u>							
Columbus	2,159	93	594	271	397	383	421
Houston	3,626	32	233	689	514	524	1,634
Lancaster	283	5	38	49	41	64	86
New York	764	54	143	236	63	149	58
<u>Pct. of Tot. with age restr.</u>							
Columbus	64%	75	83	42	45	69	64
Houston	50	84	88	30	46	75	45
Lancaster	63	80	82	53	46	80	55
New York	42	28	59	28	46	21	86
<b>Women</b>							
<u>Number</u>							
Columbus	1,776	15	1,164	437	13	62	85
Houston	1,669	3	410	1,077	9	100	70
Lancaster	228	1	56	139	0	20	12
New York	2,282	111	509	183	266	1,080	97
<u>Pct. of Tot. with age restr.</u>							
Columbus	81%	60	82	77	62	82	92
Houston	58	100	83	44	67	90	91
Lancaster	55	0	82	38	0	85	83
New York	24	30	53	16	2	11	67

<sup>1/</sup> An order is a specific employer's request for one or more workers in one occupation. Data for Columbus and Houston relate to employer orders; data for Lancaster and New York relate to job openings.

<sup>2/</sup> Includes 97 openings for entry workers which are not shown by occupational group. Also includes 458 openings for either men or women which are not shown under either sex.

openings showed restrictions on age. New York's relatively low ratio may be attributed largely to the predominance of the needle trades industry which employs large numbers of older persons and which accounts for more than one out of every three manufacturing workers. The least amount of age discrimination was found in orders in the Needle Trades Office. However, in practice, age restrictions are considerably more common than was indicated by the job openings received. Of some 60,700 placements made by the New York public employment offices during January-March 1950, only 16 percent were placements for persons over 45 years of age.

Age limitations placed on the orders and openings illustrated the varying concepts of an "older worker." For example, in Columbus, although more than four out of every five of the orders containing age restrictions specified workers under 45 years of age, 2.6 percent placed the maximum age within the range, 55-64. At the other extreme, two-fifths of the restrictive orders called for workers under 35, including more than one-eighth which specified workers under 25. Maximum age contained in the Houston orders followed a similar pattern.

In New York and Lancaster, the ages specified on restricted openings were, on the average even lower. Although only one-fourth (880) of New York's openings carried an age limitation, two out of every three of those that were restrictive called for workers under 35. Furthermore, two out of every five of the 880 job orders specified workers under 25 years of age. The majority of this latter group were for clerical and sales workers.

Employer orders received in Columbus and Houston indicated that women workers face more rigid age requirements than men. The reverse situation was true in Lancaster and New York. However, in Lancaster this resulted from the fact that three-fifths of the openings for women were for service workers--

occupations in which fewer age restrictions are imposed, and in New York primarily reflected the lesser amount of age discrimination in the apparel industry. The Queens Industrial Office in New York stated that employers are "usually not restrictive" concerning the age of men in highly skilled occupations but want younger men for unskilled jobs; however, they are "much less willing to hire older women at any skill level."

#### Less Age Restriction in Skilled and Service Work

No doubt the importance of experience and knowledge causes employers to be less rigid concerning age when hiring workers for highly skilled jobs. Service jobs also carry fewer age restrictions. But there it is due primarily to the difficulty of attracting younger workers to the less attractive, lower-paying jobs.

All four areas included in the current survey showed that fewer age limitations were placed on skilled and service jobs than on those in other major categories (except semiskilled in New York). Even so, age restrictions were included in more than three out of every five orders for service workers in Columbus and nearly one out of every two skilled orders or jobs in Columbus, Houston, and Lancaster. Generally specifications were the most severe in clerical and sales orders, followed by semiskilled and unskilled.

In absolute numbers, occupations in which opportunities for older worker employment were most favorable were governed to a great extent by the industrial characteristics of the area. For example, nearly three-fifths of the nonrestrictive openings in New York were for semiskilled workers, again reflecting the prominence of the apparel industry. However, openings studied in New York excluded those received in the Household Office, which accounted for the small number of service jobs with no age limitations.