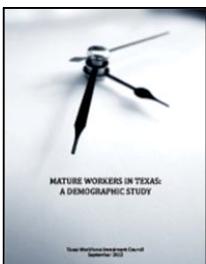


# Mature Workers in Texas: A Demographic Study



The Texas Workforce Investment Council (Council) prepared this report to detail the demographic characteristics of mature workers (age 55 and older) in Texas. While there is much comparative national data in the [full report](#), this document focuses primarily on the data and analysis devoted to mature workers in Texas.

Mature labor force participants comprised 21 percent of the national workforce in the first quarter of 2012. In 2008, individuals born in the first year of the Baby Boom cohort (1946 to 1964) were eligible to receive retirement benefits. The impending transition of this large segment into retirement and the resulting effects on the workforce could cause both worker and skill shortages. However, recent trends indicate that many mature workers choose to postpone retirement because they enjoy working. Others continue to work because they expect to live longer, their retirement plans and resources have changed, or retiree health benefits were reduced. These individuals will require help identifying transferable skills that lead to new career opportunities as well as education and training to upgrade their skills.

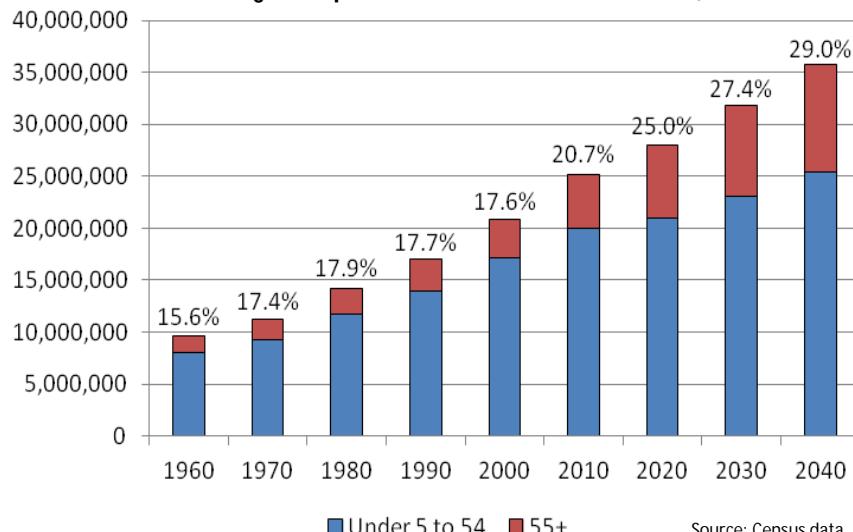
## Mature Workers in Texas

The Texas population age 55 and older is increasing and will account for a greater percentage of the population, as can be seen in the chart to the right.

In 2010, the estimated number of mature labor force participants (includes employed individuals and those unemployed individuals looking for work) was 2,137,725 individuals—40.8 percent of Texans 55 and older. Mature labor force participants accounted for 17.3 percent of the state's total workforce. Of the 1,997,453 employed individuals 55 and older, 79.42 percent (1,586,291 individuals) worked full time and 20.58 percent (411,162 individuals) worked part time.

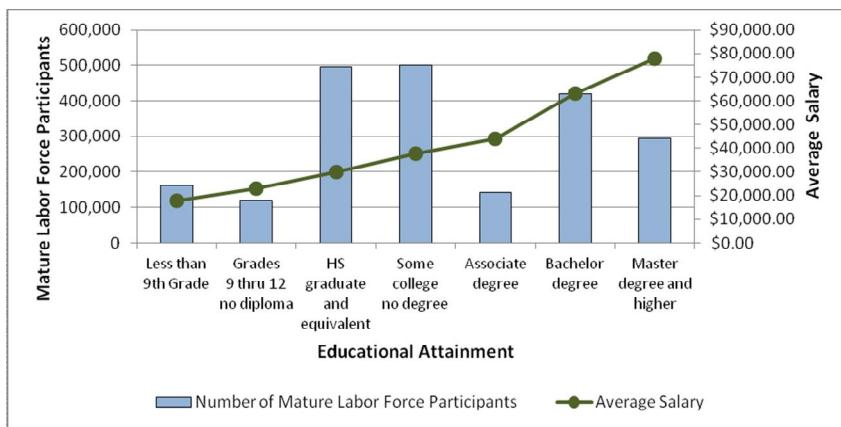
Approximately 55 percent of the state's mature labor force participants were male and 45 percent were female in 2010.

Percentage of Population 55 Years and Older in Texas, 1960-2040



Source: Census data.

In 2010, the average age of a mature labor force participant in Texas was 61. Approximately 48 percent of mature labor force participants were between the ages of 55 to 59 and almost 79 percent were between the ages of 55 to 64. Twenty-one percent of the mature labor force participants in Texas were 65 or older.



Approximately 87 percent of mature labor force participants in Texas had at least a high school diploma or GED in 2010. Thirty-three percent had a bachelor degree or higher. In 2010, mature workers earned an average salary of \$44,545.05 (inflation adjusted for 2010).

Numerous differences exist between different demographic categories. On average, male mature workers earned \$54,217.08, whereas females earned \$32,929.81. Salaries also varied depending on levels of educational attainment. The chart to the left illustrates the educational attainment levels of the 2010 mature labor force in Texas and the average salaries for each level of educational attainment. Average salary increases with higher

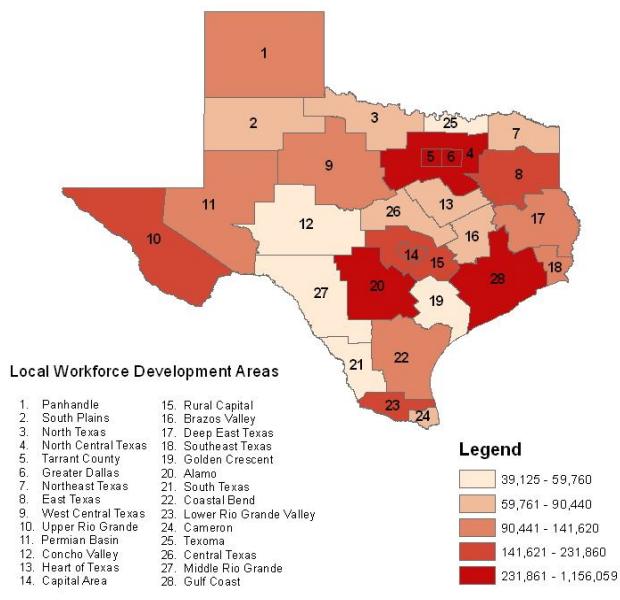
levels of educational attainment. The highest average yearly salary is earned by mature workers with a master degree or higher. Average yearly salary also varies between racial and ethnic groups. Additional differences in yearly salaries can be observed when considering gender and race together.

## The Mature Labor Force in Texas

Thirty-eight percent of the Texas population age 55 and older was employed in civilian occupations. The industry that employed the greatest percentage of mature labor force participants was elementary and secondary school education, as can be observed in the chart to the right that illustrates the top ten industries employing mature labor force participants.

If a large portion of these mature workers retire, the workforce in the agriculture, textile manufacturing, equipment manufacturing, healthcare service, educational services, and utilities sectors could be substantially reduced since national data from 2007 indicate that over 30 percent of the workforce in these sectors were 50 years old or older (Pitt-Catouphes, et al., 2008). The skills, experiences, and institutional knowledge these retirees developed over the course of their careers will also be lost.

Mature Population, 2010



## Top 10 Industries Employing Mature Labor Force Participants in Texas, 2010

Industry	Number	Percent
Education- elementary and secondary schools	194,986	9.12%
Construction	135,709	6.35%
Medical- hospitals	86,000	4.02%
Education- colleges and universities	56,760	2.66%
Finance- real estate	47,140	2.21%
Entertainment- restaurants and food services	42,421	1.98%
Finance- insurance carriers and related	40,599	1.90%
Administration- justice, public order, and safety activities	38,800	1.82%
Retail- department and discount stores	38,501	1.80%
Service- religious organizations	37,292	1.74%

Source: Data are from ACS 2010. Only the top 10 industries are included in this table.

A recent survey found that three-quarters of workers over 50 wanted to remain in their current job because they enjoyed working and 27 percent said that their present situation is the happiest time in their working career (Charles Schwab & Company, 2012). Recent explanations for the increased labor force participation of mature individuals have also included the need for greater financial savings to provide for longer periods of retirement due to longer life.

The unemployment rate for mature individuals has been lower than for prime-age workers (age 25 to 54). However, mature individuals have consistently experienced longer durations of unemployment than younger workers since the recession of 2007 to 2009. Although mature individuals were less likely to lose their jobs than prime-age workers, mature individuals who did lose their jobs had more difficulty finding employment.

For many of these mature workers, technological innovations may necessitate skills upgrading. Focus groups conducted by the Government Accountability Office identified out-of-date skills as an important reemployment barrier for mature individuals (U.S. Government Accountability Office, 2012). A 2005 American Association of Retired Persons survey indicated that mature workers consider that having work-related training, being able to learn new skills, and new experiences are important issues (Feinsod, Davenport, & Arthurs, 2005). However, access to training and skills retraining programs may be limited (Heidkamp & Van Horn, 2008).

## Observations

Analyses of the Texas population yield four relevant trends: the growth of the state's population, the increase in the state's racial and ethnic diversity, the greater number of individuals in the older age categories, and the progression of the Baby Boomers from the younger age categories into the older age categories.

The 2008 Employer Survey commissioned by the Council indicated that many employers in Texas have not fully considered or prepared for Baby Boomer retirement. With such a large segment of the labor force approaching retirement over the next two decades, government leaders, policy makers, employers, and other workforce stakeholders, must develop strategies to attract, retain, and retrain mature workers.

The Council was created in 1993 by the 73rd Texas Legislature. As an advisory body to the Governor and the Legislature, the development of an integrated strategic plan for the workforce system is one of the Council's primary responsibilities. Because all Texans are part of the critical pool of potential employees that is and will be required by Texas employers, [Advancing Texas: Strategic Plan for the Texas Workforce System \(FY2010-FY2015\) \(Advancing Texas\)](#) specifies three populations that will be targeted for increased employment outcomes. One of those target populations is the Texas population of individuals age 55 and older. Detailed demographic analyses and maps are also available [here](#).