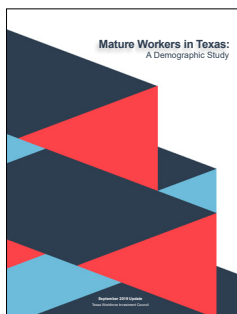


Mature Workers in Texas: A Demographic Study

2021 Update



As an update to a prior report, the Texas Workforce Investment Council (Council) prepared this study on 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 key data and analysis necessary to understand the mature workforce in Texas. Estimates from the 2019 American Community Survey (ACS), the most recent data available, were used for this demographic report update.

The mature population in the U.S. has grown by nearly five percent from 2010 to 2019, outpacing any previous decade. Although mature workers make up a smaller number of workers overall, the 65- to 74-year-old and 75-and-older age groups are projected to have faster rates of labor force growth annually than any other age groups. The increase is being fueled by the aging Baby Boom generation, a large group of people born between 1946 and 1964. Some of these workers are expected to continue working even after they qualify for retirement benefits. With such a large segment of the mature population remaining in the labor force over the next two decades, government leaders, policy makers, employers, and other workforce stakeholders must develop strategies to continue to attract, retain, and retrain mature workers.

Characteristics of Mature Workers in Texas

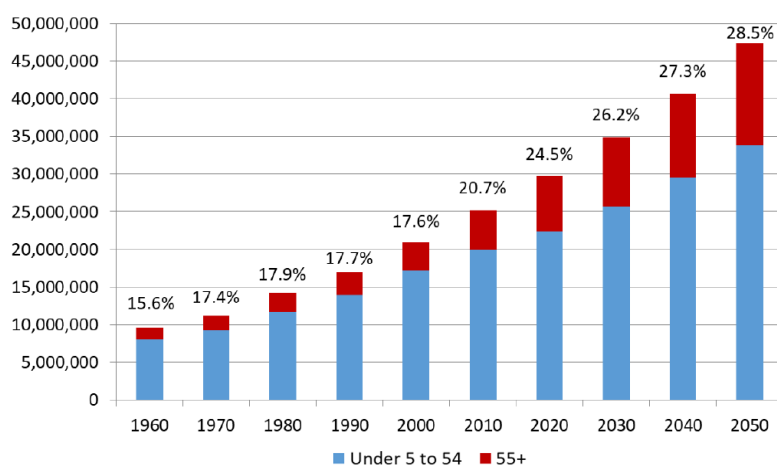
The number of Texans age 55 and older is increasing and will account for a greater percentage of the population, as can be seen in the chart to the right.

In 2019, the estimated number of mature labor force participants (includes employed individuals and unemployed individuals looking for work) was 2,940,415 individuals. Of the mature labor force participants who were employed (2,853,119 individuals), 79.4 percent worked full time and 20.6 percent worked part time. Approximately 54 percent of the state's mature labor force was male and 46 percent was female.

The average age of a mature labor force participant in Texas was 61.8. Approximately 42 percent of mature labor force participants were between the ages of 55 to 59, approximately 74 percent were between the ages of 55 to 64, and approximately 25 percent were 65 or older.

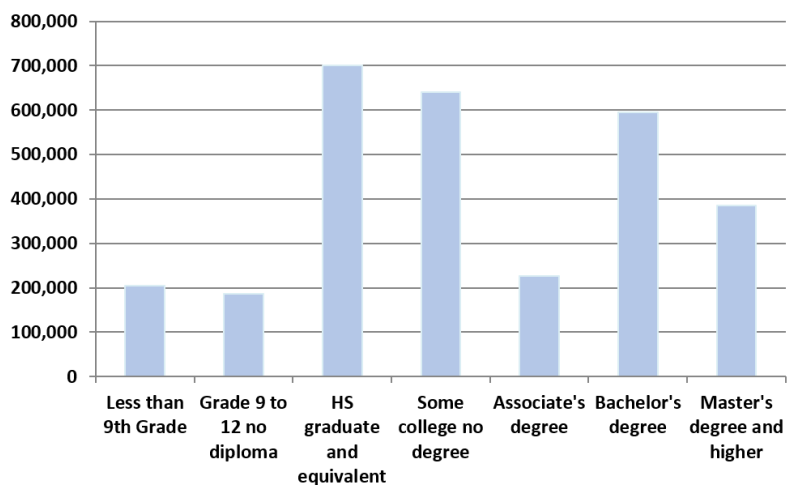
Nearly 87 percent of mature labor force participants in Texas had at least a high school diploma or equivalent in 2019. Approximately 33 percent had a bachelor's degree or higher. Mature workers earned an average salary of \$60,615 (inflation adjusted for 2019). On average, male mature workers earned \$73,519, while female mature workers earned \$47,712. Salaries also varied depending on levels of educational attainment. The highest average yearly salary was earned by mature workers with a master's degree or higher. Average yearly salary also varied between racial and ethnic groups. Additional differences in yearly salaries can be observed when considering gender and race together.

Percentage of Population 55 Years and Older in Texas, 1960-2050



Source: 1980 through 2000 data are from the Census; 2010 data are from 2019 ACS (summary table). 1980 and 1990 percentages represent the portion of the 16 and older civilian population that are mature workers. 2000 and 2010 percentages represent the portion of the 18 and older civilian population that are mature workers.

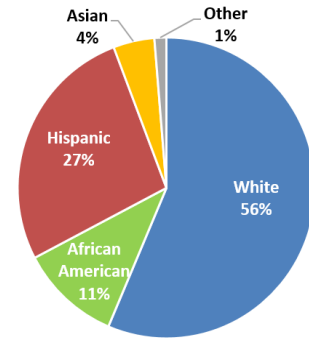
Educational Attainment of the Mature Labor Force in Texas



Source: 2019 ACS PUMS (microdata).

The chart to the right illustrates that 56 percent of the mature labor force in Texas was White, 27 percent was Hispanic, 11 percent was African American, four percent was Asian, and one percent was Other in 2019. Whites are the oldest racial group in the state and Hispanics are the youngest. According to census data, the median age was 35.9 for Whites, 35.7 for Asians, 33.1 for African Americans, and 28.8 for Hispanics.

Race and Ethnicity Composition of Mature Labor Force Participants in Texas



Source: 2019 ACS PUMS (microdata).

The 2050 Texas population will be even more racially and ethnically diverse. Projections from the Texas Demographic Center indicate that approximately 29 percent of the 2050 Texas population will be White, 43 percent will be Hispanic, 13 percent will be African American, and 16 percent will be in the Other category.

The Mature Labor Force in Texas

Approximately 41 percent of the Texas population age 55 and older was employed in civilian occupations in 2019. The industry that employed the greatest percentage of mature labor force participants was construction, followed by elementary and secondary schools, as can be observed in the table below.

Top 10 Industries Employing Mature Labor Force Participants in Texas

Industry	Number	Percent
Construction	234,520	8.0%
Elementary And Secondary Schools	223,702	7.6%
General Medical And Surgical Hospitals, And Specialty	97,802	3.3%
Restaurants And Other Food Services	77,139	2.6%
Colleges, Universities, And Professional Schools, including Junior Colleges	71,407	2.4%
Lessors Of Real Estate, And Offices Of Real Estate Agents And Brokers	60,118	2.0%
Truck Transportation	52,306	1.8%
Home Health Care Services	51,927	1.8%
Support Activities For Mining	46,114	1.6%
Religious Organizations	43,926	1.5%

Source: 2019 ACS PUMS (microdata).

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 the recession of 2007 to 2009. Although mature individuals were less likely to lose their jobs than prime-age workers, those who did lose their jobs had greater difficulty finding employment.

According to the Special Committee on Aging, fewer older workers are transitioning directly from full-time employment to full-time retirement than at any other point in history. As the American workforce continues to age, projections show that the size of the younger workforce

will stay the same, creating a variety of opportunities and challenges for employers. Consistent recommendations made to employers to help meet these challenges include hiring, retaining, and training older employees. Older workers' experience and competence are among the benefits to hiring and retaining older workers. Among other advantages cited in a study on basic and applied skills of the aging workforce conducted by the Society for Human Resource Management was the value of mentorship and knowledge-sharing skills that older employees bring to organizations.

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 percentage growth of mature workers' continued participation in the labor market.

The Texas population age 55 and older will account for a greater percent of the workforce in the future. This may have a significant impact on workplaces and organizations. Understanding the implications for worker and skill shortages that could be associated with the impending retirement of the Baby Boomers, as well as the benefits of hiring and retaining mature labor force participants, will be critical for the state's employers.