

**Identifying the National Pool of Older Workers
Eligible for Senior Community Service Employment
Programs
and
Their Current and Projected Unmet Service Needs**

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Prepared for:

Senior Service America

Silver Spring, Maryland

August 2008

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Introduction

The formulation of national and state workforce development policy and the planning and design of workforce development programs to address the labor market needs of key target groups of individuals are dependent in part upon the availability of timely and statistically reliable information on the numbers, demographic/socioeconomic characteristics, and labor market problems of individuals eligible for such services.¹ Among the programs designed to provide immediate employment opportunities and to promote the longer-term employability and earnings of older Americans (55 and older) is the Senior Community Service Employment Program (SCSEP) which is overseen at the national level by the U.S. Department of Labor's Employment and Training Administration.

The planning of SCSEP programs is dependent upon knowledge of the numbers, characteristics, and labor market problems of older individuals who are eligible for the receipt of services under the act.² This research paper is devoted to an analysis of the numbers, demographic/socioeconomic characteristics, and labor market experiences/problems of those 55-74 year olds across the nation who are eligible for enrollment under the SCSEP programs.³ Our paper will begin with a review of national eligibility requirements for participation in the SCSEP programs and a review of our working definitions of the eligible population. The data source used to generate our estimates of the eligible, national pool of SCSEP applicants as of March 2007 will be described, and findings of our estimates of the number and age, gender, race-ethnic and educational attainment characteristics of these eligible individuals will be described. The presentation will include a discussion and assessment of findings on the relative incidence of SCSEP eligibility across these various groups, and the demographic characteristics of actual enrollees in SCSEP programs during Program Year 2006 will be compared to those of the national eligible population.

¹ For a comprehensive review of the uses of labor market information in planning and designing employment and training programs at the state and local level,

See: Andrew Sum, Paul Harrington, and Lorraine Amico, Cracking the Labor Market for Human Resource Planning, National Governor's Association, Center for Policy Analysis, Washington, D.C., 1982.

² In the summer of 2006, the Center for Labor Market Studies undertook a similar planning and policy analysis exercise for Senior Service America. Key findings were presented at a national conference in San Diego, California. A powerpoint presentation on this topic is available from the Center for Labor Market Studies.

³ There is no upper age limitation on eligibility for the program; however, 90% or more the of enrollees in SCSEP programs in recent years have been under age 75.

The labor force behaviors and employment/unemployment rates of SCSEP eligibles will be compared to those of their peers in the overall 55-74 year old population. The labor market problems of SCSEP eligibles will be identified. The estimated number of SCSEP eligibles in recent years will then be compared to the number of older Americans served by a number of key workforce development and adult basic education programs across the nation in recent years, including WIA programs and adult basic education programs. Gaps between the pool of SCSEP program eligibles and recent service delivery levels for such individuals across an array of programs will be identified. The final section of the paper will be devoted to an assessment of a number of historically unique, forthcoming changes in the size of the older worker population and labor force across the nation and selected states over the coming decade and their implications for future workforce development and adult basic education policies and programs for older Americans.

Data Sources Underlying the Estimates of the National SCSEP Eligible Population and Older Persons Served by Adult Education and Workforce Development Programs Across the Nation

This research paper is primarily devoted to an analysis of the numbers, demographic/socioeconomic characteristics, and labor force behavior of the nation's 55-74 year olds who were eligible for participation in Senior Community Service Employment Programs (SCSEP) across the nation in recent years. We also will compare data on the numbers and characteristics of the 55-74 year old SCSEP population with those individuals who were served by SCSEP employment and training programs, Workforce Investment Act (WIA) programs for low income adults and dislocated workers, and adult education programs funded by the U.S. Department of Education and state adult basic education programs across the nation in recent years.

A variety of national and state data bases were used to generate the estimates of the SCSEP eligible population and the numbers and demographic characteristics of older individuals (55 and older) served by employment and training programs across the nation. All of the estimates of the national SCSEP eligible population (55-74 years old) are based on the findings of the March 2007 Current Population Survey, a national household survey conducted by the

U.S. Census Bureau for the U.S. Bureau of Labor Statistics.⁴ Approximately 77,000 households are interviewed as part of the CPS survey. The March CPS survey includes a work experience and income supplement that is used to collect data on the employment and earnings experiences of all working-age individuals (16 and older) in the prior calendar year, their money incomes during the prior calendar year, the sources of those incomes, including wages and salaries, self-employment income, property income, and income from various government cash transfer programs.⁵ The March CPS survey also collects information on the health insurance coverage of individuals, their health status, and their work disability status. Information on the annual money incomes of the families of older individuals (55-74 years old), the sources of these money incomes, and their disability status is needed to identify their potential eligibility for SCSEP program services.

Our estimates of the magnitude and demographic/socioeconomic characteristics of the SCSEP population will be compared to the annual numbers and characteristics of older adults served by Senior Community Service employment programs, WIA Title One adult and dislocated worker programs, and older adults (60+) served by adult basic education programs across the nation in recent years. Data on the numbers and age/gender/race-ethnic characteristics of SCSEP program participants in Program Year 2007 were obtained from the national website of the U.S. Department of Labor's Employment and Training Administration. Many of the participants in PY 2007 programs were still enrolled at the end of the third quarter of PY 2007. The high rate of continued enrollment implies that the annual number of SCSEP enrollees is a substantially exaggerated estimate of new program participants. Data on the numbers of older persons (55+) enrolled in WIA Title One adult and dislocated worker employment and training programs in PY 2006 were obtained from the U.S. Department of Labor's Federal Research and Evaluation Database (FRED) and from the WIA public use files on participant characteristics for the same year. The data on the numbers of older persons (60+) served by federal and state funded adult basic education programs were obtained from the U.S. Department of Education's Office of Adult and Vocational Education Programs. There are other adults served by other adult

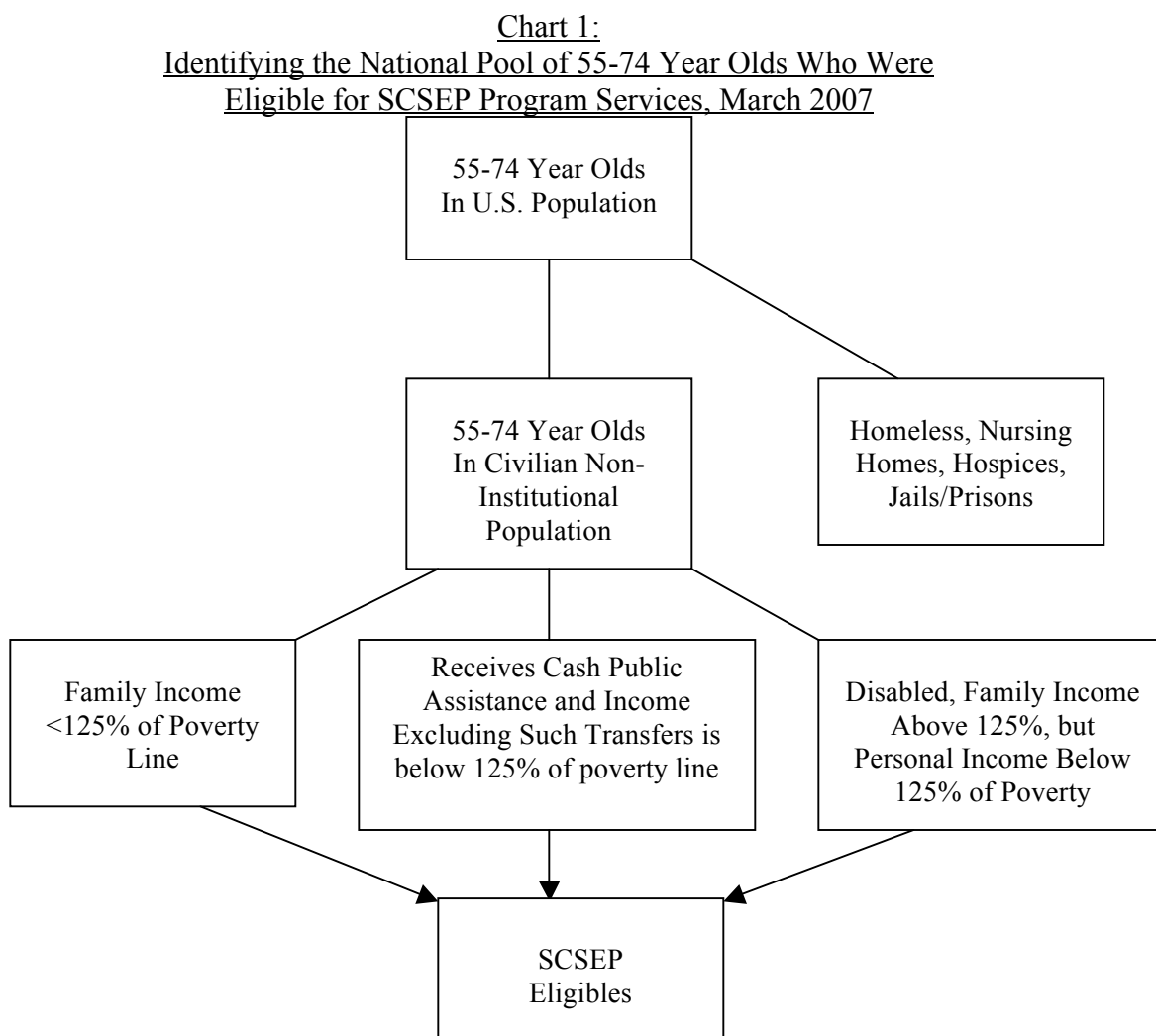
⁴ To be eligible for participation in a SCSEP program, an individual must be 55 years of age or older. In the most recent program year, over 90% of those served by SCSEP programs were under the age of 75. Thus, we have restricted our analysis of the national SCSEP population to those persons who were 55-74 years old at the time of the March 2007 CPS survey.

⁵ Data on the annual incomes of families headed by older persons and the sources of those incomes are critical to estimating the eligibility of older individuals for SCSEP programs.

education and training programs, including those funded by local government sources and non-profit agencies funded by other monies, however, there is no common national database on these alternative efforts.

Estimating the Pool of SCSEP Program Eligibles

The national legislation authorizing the Senior Community Service Employment Program (SCSEP) establishes eligibility criteria for enrollment in the program. The eligibility criteria are outlined in Table One and Chart 1 below together with working definitions of the three eligible groups that we used in estimating the national pool of 55-74 year olds who would have been eligible for participation in the program in March 2007.⁶



⁶ The March 2007 CPS work experience and income supplement was used to generate estimates of the pool of 55-74 year olds who would have been eligible for participation in a SCSEP program. The sources of data from this survey were described in the preceding section.

Table 1:
Estimating the Pool of 55-74 Year Olds Eligible for
Participation in SCSEP Programs in the U.S.

Group	Definition Of Group
Low income persons	Persons living in a family ¹ with an annual income below 125% of the federal government's poverty line for a family of their given size and age composition
Persons meeting low income eligibility criterion after excluding cash transfers	Persons who met the low income criterion after TANF, Supplemental Security Income, workers' compensation and disability incomes were excluded from total annual money income
Disabled persons meeting low income criterion based on their own income	Disabled persons who lived in families with incomes above the low income threshold but had personal incomes below 125% of the poverty line for a one person household.

Note: ¹ Persons living on their own or with others to whom they were not related are treated as a family of one in determining their low income status.

The first and largest group of eligibles consists of those individuals who lived in older families with an annual money income below 125% of the federal government's poverty income threshold for families of their given size and age composition. The 2007 poverty income thresholds for families of one to four persons are displayed in Table 2. The values of these official poverty thresholds ranged from a low of \$9,941 for a one person household that was headed by an individual 65 and older to a high of just under \$21,400 for a family of four.⁷ The SCSEP income eligibility criteria are set by multiplying each of these poverty income thresholds by a factor of 1.25. Results are displayed in Column B of Table 2. The annual income threshold for a 2 person family headed by an individual under age 65 was \$17,355. Any person 55-74 years old living in such a two person family whose annual income was below \$17,355 would have been eligible for participation in a SCSEP program in 2007.

⁷ The official poverty income thresholds for "families" containing only one or two persons are set separately for households with a head 65 or older. The poverty lines for these older families are set slightly below those of families headed by an individual under the age of 65. Poverty analysts have critiqued these lower poverty lines for older families as being artificially low.

See: Patricia Ruggles, Drawing the Line: Alternative Poverty Measures and Their Implications for Public Policy, Urban Institute Press, Washington, DC, 1990.

Table 2:
Official Federal Poverty Income Thresholds and 125% of the Poverty Income
Thresholds for Families⁽¹⁾ Headed by a Person 55-74 Years Old by Number of
Persons in the Family and Age of Householder

Size of Family/Household	Poverty Threshold	125% of Poverty Threshold
1 Person Under 65	\$10,787	\$13,484
1 Person 65+	9,941	12,426
2 Persons, Head Under 65	13,884	17,355
2 Persons, Head 65+	12,533	15,666
3 Persons	16,218	20,272
4 Persons	21,386	26,732

Note: All families are assumed to have no children under age 18 residing in the household. The poverty lines do take into account the number of children under 18 and the number of persons 18 and older in setting the poverty line.

The second group of SCSEP eligibles consists of individuals who would have met the low income eligibility criterion if certain types of cash transfer incomes were excluded from their annual money income. Any cash income received by the family from the Temporary Assistance to Needy Families (TANF), Supplemental Security Income for the Aged, the Blind and Disabled (SSI), and other disability income programs including Social Security Disability Income (SSDI) can be subtracted from the family's annual income in determining their eligibility for SCSEP programs (Table 2).

The third group of SCSEP eligibles includes disabled individuals living in a family with an annual income (adjusted for cash income transfers) that would have exceeded the low income threshold. Disabled individuals have their eligibility based on their own personal annual income rather than that of their entire family. If this disabled individual's own income falls below the low income threshold for a one person household, he/she is eligible for participation in a SCSEP program. The combined pool of eligibles consists of these three sets of individuals ages 55-74.

Estimates of the national pool of 55-74 year olds who were eligible for participation in a SCSEP program as of March 2007 are displayed in Table 3 by their eligibility source. There is some small overlap between the disabled eligibles and the first two groups of SCSEP eligible

individuals.⁸ In our final count of eligible individuals, we include each eligible individual only once regardless of the number of reasons for being eligible for program services.

Table 3:
Estimates of the Pool of 55-74 Year Old SCSEP
Eligibles by Source of Eligibility, March 2007

Reason for Eligibility	Number of Eligibles (in Millions)
Member of low income family	6.390
Low income after excluding selected cash transfers	.706
Disabled individual with a low personal income	2.378
Unduplicative count of eligibles	9.158

Source: March 2007 CPS survey, work experience and income supplement, tabulations by authors.

The total number of SCSEP eligibles 55-74 years old was 9.158 million, representing just under 18 percent of the nation's 51.2 million 55-74 year olds in the civilian, non-institutional population (Tables 3 and 4). Approximately 6.4 million of the pool of eligibles or 70% became eligible as a result of low annual money incomes. Another 706,000 individuals became income eligible once selected cash transfer incomes had become subtracted from their annual income. There were just under 2.4 million disabled individuals or slightly over one quarter of all eligibles who became eligible on the basis of a low personal income. Excluding overlaps between the disabled group and the other two groups of eligibles, the unduplicated count of eligible individuals was 9.158 million. To put this number in comparative perspective, consider the fact that during Program Year 2007,⁹ there were only 87,061 individuals of all ages (55+) who were served by SCSEP programs across the entire nation. Excluding the 7,234 individuals ages 75 and older yields a 55-74 participant count of less than 80,000. This implies that the combined pool of 55-74 year old SCSEP eligibles was 114 times higher than the number of individuals in this age group who were actually served during the most recent program year. The potential demand for SCSEP services appears to substantially exceed the available supply of program slots. This finding holds true even after taking into consideration the number of older adult served by WIA workforce development and adult basic education programs.

⁸ The disabled are those individuals who responded "yes" to the following question in the March 2007 CPS survey: "Does this person have a health problem or disability which prevents work or limits the kind or amount of work?"

⁹ The data on SCSEP participants is a rolling four quarter total through the Third Quarter of PY 2007. Participant counts were provided by the U.S. Department of Labor's Employment and Training Administration on its web site.

Table 4:
Number and Percent of 55-74 Year Olds in the Civilian Non-institutional
Population of the U.S. Who Were Eligible for SCSEP Program Services,
All and by Gender and Age Group, March 2007

	(A)	(B)	(C)
Group	Population (in Millions)	SCSEP Eligibles (in Millions)	Percent Eligible
All	51.189	9.158	17.9
Gender			
• Men	24.217	3.521	14.5
• Women	26.972	5.636	20.9
Age Group			
• 55-59	18.221	2.868	15.7
• 60-64	13.970	2.624	18.8
• 65-69	10.628	1.928	18.1
• 70-74	8.369	1.738	20.8

Source: March 2007 CPS Survey, work experience and income supplement, public use files, tabulations by authors.

The distributions of the 55-74 year old SCSEP eligible population by gender and age group are displayed in Table 4. Nearly 62% or 5.636 million of the SCSEP eligibles were women while men accounted for the remaining 3.521 million or 38%. The gender composition of actual SCSEP program enrollees in PY 07 reasonably matched that of the eligible population. Women accounted for 69% of program participants and represented 62% of the eligible population (Table 5).

The distribution of the SCSEP eligible population by age group is displayed in Table 4. The largest numbers of eligibles were in the 55-64 age group, which was largely comprised of the early members of the post-World War II baby boom generation.¹⁰ Five and one-half million of the 9.158 million SCSEP eligibles were 55-64 years old. The likelihood that an older adult would be eligible for SCSEP services tended to increase with their age, being highest for those 70-74 years of age at 21%, but the total number of 70-74 year olds in the U.S. population was substantially smaller than the number of 55-64 year olds (Chart 2). The 65-74 year olds were

¹⁰ The baby boom generation is typically defined as those persons born between 1946 and 1964. A person born in 1946 would have been 61 years old in 2007.

somewhat under-represented among the ranks of SCSEP participants in PY 07. They accounted for one-third of all participants 55-74 year olds but represented about 40 percent of the eligible population. Their lower representation in the ranks of the SCSEP population may be attributable in part to their lower rates of active participation in the labor market and to higher rates of health/disability problems that may limit their ability to participate in the community service component.

Chart 1:
Percent of 55-74 Year Olds in the U.S. Who Were Eligible for
SCSEP Programs by Gender and Age Group, March 2007

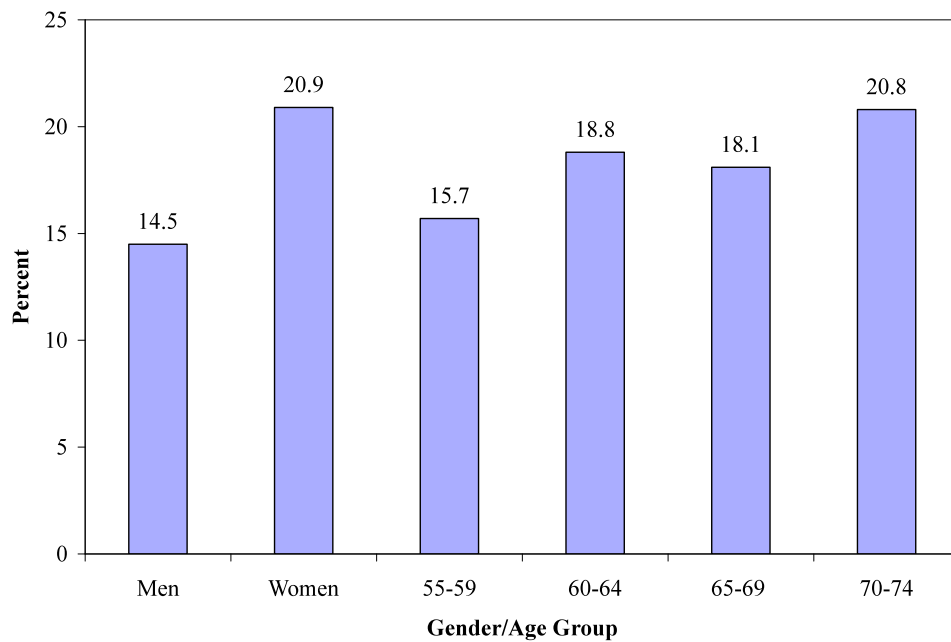


Table 5:
Comparisons of the Percentage Share of SCSEP Program Participants⁽¹⁾ in
Program Year 2007 with Their Shares of SCSEP Program Eligibles (55-74 Years Old)
By Gender, Age Group, and Race/Ethnic Group, 2007

	(A)	(B)	(C)
Demographic Group	SCSEP Program Participants (PY 07)	Program Eligibles (55-74 Years Old)	Share of Participants As % of Share of Program Eligibles
Gender			
• Men	30.7	38.5	.80
• Women	69.3	61.5	1.13
Age Group			
• 55-64	66.1	60.0	1.10
• 65-74	33.9	40.0	.85
Race-Ethnic Group⁽²⁾			
• Asian	3.2	4.1	.78
• Black	31.7	17.3	1.83
• Hispanic	12.3	15.3	.80
• White, not Hispanic	57.4	61.0	.94

Note: (1) Only the data on the age of SCSEP program participants can be strictly confined to those 55-74 years of age. Persons 75+ will be included in the other demographic groups.

(2) totals for race/ethnic groups will not sum to 100% due to the exclusion of American Indians/Alaskans Natives and persons of mixed race.

Data on the race-ethnic group characteristics of 55-74 year old SCSEP eligibles are displayed in Table 6. White, non-Hispanics were the largest group, accounting for 61% of the national pool of eligibles followed by Blacks at somewhat over 17%, Hispanics at 15%, and Asians at 4%. The likelihood of a 55-74 year old resident being SCSEP eligible varied quite markedly by race-ethnic group at the time of the March 2007 CPS survey. Only 14% of White, non-Hispanics were eligible for participation versus one-fifth of older Asians, and one-third of both Blacks and Hispanics. Members of the last two race-ethnic groups were about 2.5 times as likely to be eligible for an SCSEP program as older White, non-Hispanics.

A comparison of the race-ethnic characteristics of PY 07 SCSEP enrollees with those of the eligible population reveals that Whites were represented at a rate (94%) close to their share of the eligible population while Asians (78%) and Hispanics (80%) tended to be somewhat more

under-represented.¹¹ Older Black adults were heavily over-represented in the ranks of the SCSEP eligible population, receiving services at a rate 1.83 times as high as their share of the national SCSEP population. The links between the under-representation of Asians and Hispanics and the geographic allocation of SCSEP monies should be more carefully explored by the U.S. Department of Labor. Funding appropriations may be over-concentrated in geographic locales with above average representation of Black eligibles, and older Black workers have tended to face more severe labor market problems than their counterparts in other race-ethnic groups.

Findings on the educational attainment backgrounds of SCSEP eligibles in March 2007 are displayed in Table 6. The eligible adults were classified into one of five educational attainment categories ranging from those 55-74 year olds lacking a high school diploma/GED to those possessing a Master's or higher academic degree. Adults who failed to graduate from high school or obtain a GED certificate accounted for the highest share (37%) of eligibles, and high school graduates represented another one-third of the eligible population (34%). Only 11 percent of the members of the eligible pool held a bachelor's or higher academic degree.

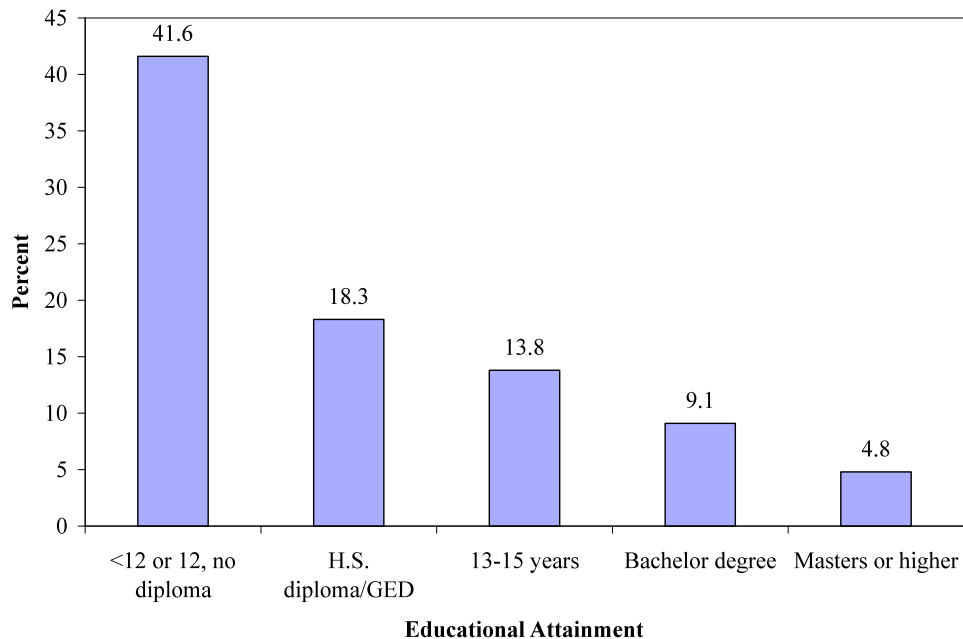
The probability that a given adult would be eligible for the SCSEP program varied quite widely across the five schooling groups (Chart 3). Nearly 42% of those 55-74 year olds lacking a high school diploma were eligible for the SCSEP program versus only 18 percent of high school graduates, 9% of adults with a bachelor's degree and only 5% of those with a Master's or higher degree. The least well-educated group of older adults was nearly nine times as likely to be SCSEP eligible as their counterparts with a Master's or higher degree. The low employment rates of these older dropouts, their low weekly earnings when employed, and their limited access to property income and other non-transfer income substantially raises their likelihood of being low income and, hence, eligible for the SCSEP program.

¹¹ Part of this lower degree of over-representation among Asian and Hispanic SCSEP eligibles may be attributable to their lower degree of U.S. citizenship which can limit their access to program services.

Table 6:
Number and Percent of 55-74 Year Olds in the Civilian Non-Institutional
Population of the U.S. Who Were Eligible for SCSEP Program Services by
Major Race-Ethnic Group and Educational Attainment, March 2007

	(A)	(B)	(C)
Group	Population (in Millions)	SCSEP Eligibles (in Millions)	Percent Eligible
Race/Ethnic			
• Asian	1.868	.371	19.9
• Black, not Hispanic	4.912	1.583	32.2
• Hispanic	4.083	1.400	34.3
• White, not Hispanic	39.572	5.584	14.1
Educational Attainment			
• <12 or 12, no diploma	8.040	3.348	41.6
• H.S. diploma/GED	16.920	3.088	18.3
• 13-15 years	12.466	1.716	13.8
• Bachelor's degree	8.056	.730	9.1
• Master's or higher degree	5.705	.275	4.8

Chart 3:
Percent of 55-74 Year Olds in the U.S. Who Were Eligible for SCSEP
Programs by Educational Attainment, March 2007



Data Sources and Concepts Underlying the Labor Force Behavior and the Employment and Unemployment Measures of the Nation's 55-74 Year Old Population

Knowledge of the labor force behavior of the SCSEP eligible population and their employment/unemployment rates is indispensable for the planning and design of such programs. The labor market behaviors and problems of the SCSEP eligible population also should be compared to those of their similar-aged counterparts who were not eligible for enrollment in SCSEP programs. The estimates of the size of the SCSEP eligible civilian labor force, the numbers of employed and unemployed, and their employment rate are based upon the findings of the March 2007 Current Population Survey (CPS). The Current Population Survey is a national household survey conducted monthly by the U.S. Bureau of the Census for the U.S. Bureau of Labor Statistics with a nationally representative sample of approximately 60,000 households. The monthly survey is used by the U.S. Bureau of Labor Statistics to produce monthly estimates of the size of the nation's civilian labor force and its employed/unemployed population.¹²

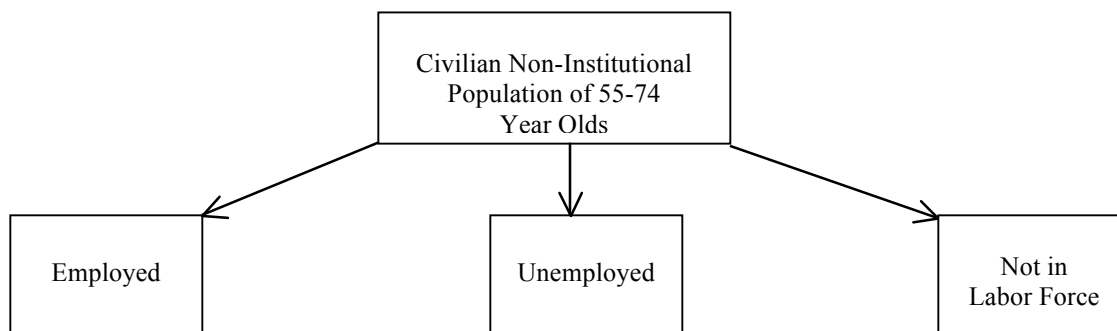
The CPS survey interviewers collect labor force activity data from those household members 16 and older; i.e., those of working age. In conducting the monthly Current Population Survey, the U.S. Census Bureau does not interview inmates of institutions (jails, prisons, nursing homes, mental institutions), the homeless including those living in temporary shelters, or members of the nation's armed forces whether stationed in the U.S. or abroad.¹³ (See Chart 4). The universe for the CPS labor force estimates for the SCSEP eligible and non-eligible populations is the civilian, non-institutional population (ages 55-74) (See Chart 4).

¹² For a review of the key design features of the CPS household survey and the labor force concepts and measures underlying the survey,

See: U.S. Bureau of Labor Statistics, Employment and Earnings, January 2007, U.S. Government Printing Office, Washington, D.C., 2007.

¹³ Some members of the nation's armed forces living off base in the U.S. are interviewed by the CPS survey. They are, however, excluded from the count of the civilian, non-institutional population and the civilian labor force.

Chart 4:
Measuring the Labor Force Status of the 55-74 Year Old Civilian Non-Institutional Population



For each working-age (16 and older) household member, the U.S. Census Bureau collects data on their labor force activities in the calendar week immediately preceding the survey. The so-called reference week of the survey is the calendar week containing the 12th day of the month. The information on the labor force activities of each respondent is used to classify them into one of the following three, mutually exclusive labor force statuses: employed, unemployed, or not in the labor force (Chart 4). The employed are those persons who met one of the following three criteria: worked one or more hours for pay or profit during the reference week, had a job from which they were temporarily absent for reasons such as paid vacation, sick leave, or temporary illness, or worked without pay in a family owned business for 15 or more hours. The unemployed are those persons without jobs, who did not work in the reference week, have actively looked for a job in the past four weeks and were available to take a job during that week.¹⁴ The remainder of respondents (those neither employed nor unemployed) are classified as not in the labor force. As will be revealed, a relatively large number of 55-74 year old SCSEP eligibles in March 2007 expressed a desire for immediate employment at the time of the survey even though they were not actively looking for work. Through a set of follow-up questions on their job desires and reasons for not actively seeking work, the CPS survey data can be used to identify members of the labor force reserve, persons who report a current job desire even though

¹⁴ Persons on temporary layoff from their job with a definite recall date from their employers do not have to meet the active job search test to be classified as unemployed. Passive job search activities, such as reading newspaper want ads or surfing internet job sites, do not count in meeting the definition of unemployment in the CPS household survey. A person only using passive job search activities would be classified as not in the labor force.

they are not actively seeking work.¹⁵ This unutilized pool of labor should be viewed as a prime target group for SCSEP programs.

During March 2007, only 1.337 million of the 9.157 million members of the 55-74 year old SCSEP population were actively participating in the nation's civilian labor force, i.e., either employed or unemployed (Table 7). This yielded a civilian labor force participation rate of only 14.6%, well below the 57.2% rate of labor force attachment among the non-SCSEP eligible population. Among those SCSEP eligibles who were active in the labor force, the unemployment rate was quite high at 10.2%, nearly four times higher than among the non-eligible population (2.8%). Given their low rate of labor force attachment and their high rate of unemployment, the employment/population ratio of 55-74 year old SCSEP eligibles in March 2007 was only 13.1%. Only 13 of every 100 SCSEP eligible individuals (55-74) were employed either part-time or full-time in March 2007 (Table 7 and Chart 5). Their employment rate was less than one-fourth as high as that of their non-eligible counterparts, an extraordinarily large difference. The vast majority of SCSEP eligibles were left completely out of the labor market in early 2007.

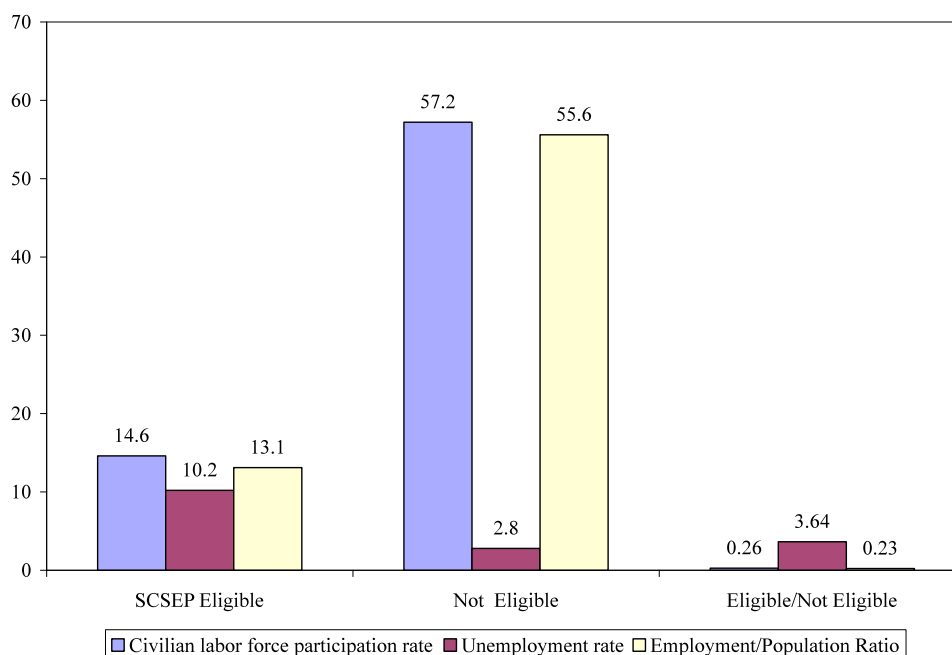
Table 7:
The Civilian Labor Force Participation Behavior and Employment/
Unemployment Status of 55-74 Year Old SCSEP Program Eligibles, March 2007

Group	Number (in Millions)
Civilian Non-Institutional Population	9.157
Civilian Labor Force	1.337
Civilian Labor Force Participation Rate (in %)	14.6%
Employed	1.245
Unemployed	.092
Unemployment Rate (in %)	10.3%
Employment/Population Ratio (in %)	13.1%

Source: March 2007 CPS survey, public use files, tabulations by authors.

¹⁵ The U.S. Bureau of Labor Statistics provides national estimates of a group called the marginally attached labor force. They are individuals who meet the criteria of being a member of the labor force reserve but also have looked for a job in the past 12 months and were available to take a job during the reference week of the survey.

Chart 5:
Comparisons of the Labor Force Participation Rates, Unemployment Rates, and E/P Ratios of
the 55-74 Year Old SCSEP Eligible and Non-Eligible Populations, March 2007



To gain a better understanding of variations in the labor force behavior and employment rates of the 55-74 year old SCSEP eligible population, we estimated their participation rates and employment rates across gender, age, race-ethnic, and educational attainment groups (Table 8). Males were more likely than women to be actively participating in the labor force (18% vs. 13%) and to be employed (16% vs. 11%), but both gender groups were employed at only a small fraction of their non-eligible peers.

As expected the labor force participation rates of SCSEP eligibles varied more markedly across age groups, being highest (25%) for the youngest members in the 55-59 age group and lowest (5%) for those 70-74 years old. Only 4 of every 100 SCSEP eligibles in the 70-74 age group were employed in March 2007, only one-fifth the employment rate of their peers 55-59 years old.

Across the four race-ethnic groups, employment rates were lowest among Blacks (11%) and Whites (12%) and highest among Hispanics (18%). The very low employment rates of these older Blacks and Whites combined with their low annual money incomes and wealth holdings place them at severe risk of long-term income inadequacy and dependency. Given the high

projected rate of growth in the nation's 55-74 year old population over the coming decade, the absence of any substantial improvement in their employment and income position will place serious fiscal burdens on the rest of the nation.¹⁶

The employment rates of SCSEP eligibles varied only modestly across educational groups, ranging from a low of 11% among high school dropouts to a high of only 17% among those with 1-4 years of college. In every educational attainment group, the SCSEP eligibles were employed at rates well below those of their similar-educated, non-eligible counterparts. Between 64 and 70% of college graduates in the non-eligible population were at work versus only 16-17 percent of well-educated SCSEP eligibles.

Table 8:
The Civilian Labor Force Participation Rates and Employment/Population Ratios of 55-74 Year Old SCSEP Eligibles in the U.S. by Gender, Age, Race-Ethnic Group, and Educational Attainment, March 2007

Group	(A)	(B)
	Labor Force Participation Rate	Employment/Population Ratio
All	14.6	13.1
Men	17.9	16.3
Women	12.6	11.1
55-59	24.6	21.6
60-64	16.0	14.4
65-69	7.0	6.4
70-74	4.7	4.4
Asian	17.9	16.7
Black, not Hispanic	12.4	10.9
Hispanic	19.8	18.1
White, not Hispanic	13.9	12.3
<12 or 12, no diploma	11.8	10.9
H.S. diploma/GED	13.4	11.9
13-15 years, including AA degree	19.6	17.1
Bachelor's degree	19.9	17.4
Master's or higher degree	17.9	15.6

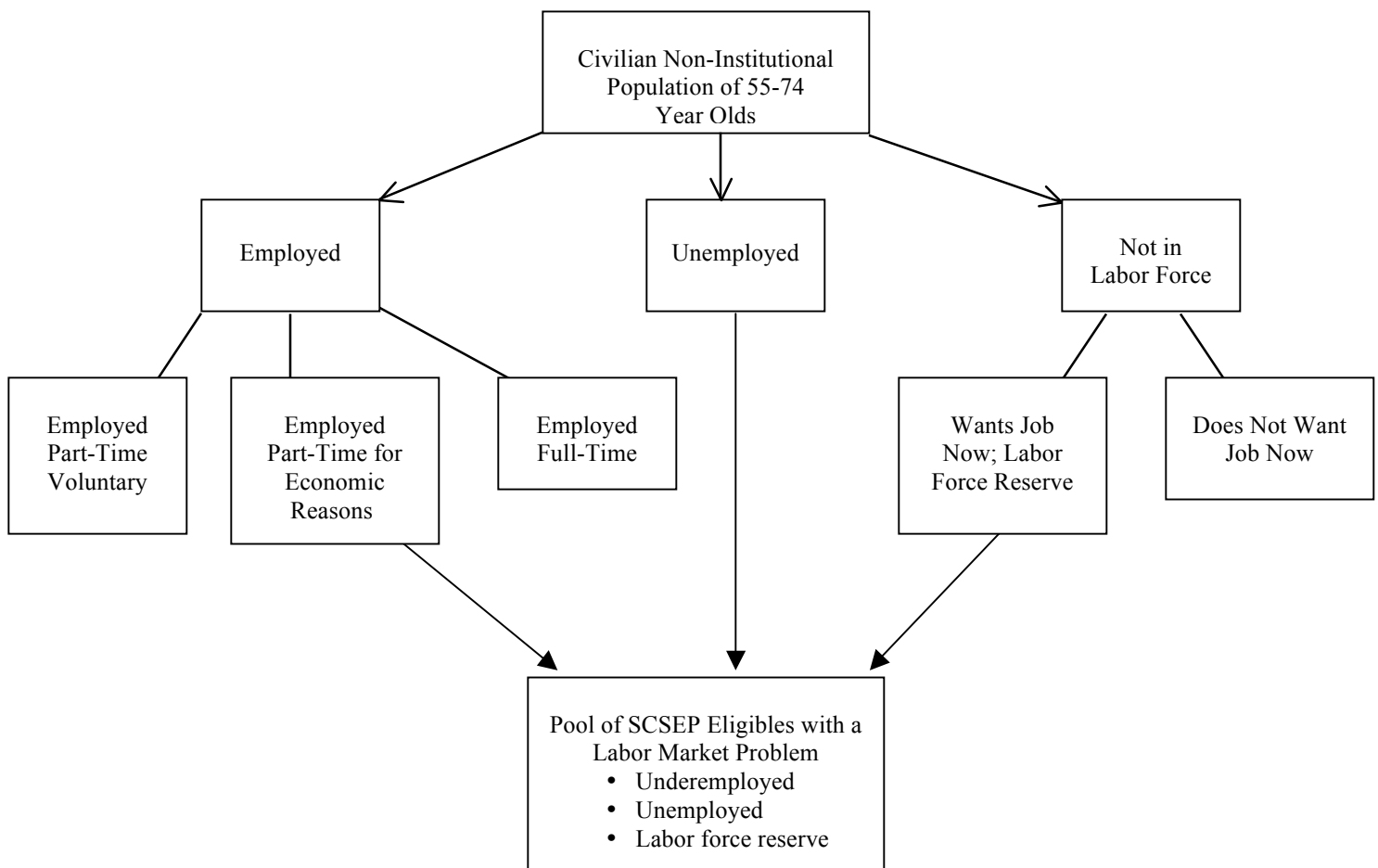
Source: March 2007 CPS survey, public use files, tabulation by authors.

¹⁶ Over the 2006-2016 period, the 55-74 year old population is projected to grow from 50.0 million to 68.2 million, a growth rate of 36% over the decade versus a growth rate of less than 10% for the entire working-age population. See: Mitra Toossi, "Labor Force Projections to 2016: More Workers in Their Golden Years," Monthly Labor Review, November 2007, pp. 33-52.

Identifying the Number of SCSEP Eligibles with A Labor Market Problem in March 2007

The labor force participation behavior, employment rates, and official unemployment rates of persons eligible for SCSEP program services were described in the preceding sections of this paper. The labor market problems of SCSEP eligibles, however, go well beyond their official unemployment problems as measured by the U.S. Bureau of Labor Statistics in the Current Population Survey. In addition to the unemployed there are those older workers employed part-time (under 35 hours per week) even though they desire full-time jobs. This group of persons who are employed part-time for economic reasons will be referred to as the underemployed (Chart 4). Among those not actively participating in the civilian labor force there are those who wish to be employed even though they are not actively looking for a job. Members of this group will be referred to as the labor force reserve (See Chart 4). The total pool of 55-74 year old SCSEP eligibles with a labor market problem will be equal to the sum of the following three groups: the unemployed, the underemployed, and the labor force reserve (Chart 5).

Chart 5:
Identifying the Pool of 55-74 Year Old SCSEP Eligibles Who Had a
Labor Market Problem in March 2007



Estimates of the pool of 55-74 year old SCSEP eligibles with a labor market problem in March 2007 are displayed in Table 8 by type of labor market problem. The total number of SCSEP eligibles experiencing one of the three labor market problems was 440,000. This group of individuals with a labor market problem consisted of 145,600 unemployed individuals, 88,600 individuals employed part-time for economic reasons, and a labor force reserve of 206,000.

Estimates of the number of SCSEP eligibles (55-74) experiencing various types of labor markets in March 2007 or in the preceding calendar year are displayed in Tables 8 and 9. At the time of the March 2007 CPS survey, there were nearly 440,000 SCSEP eligibles who either unemployed, underemployed, or members of the labor force reserve (Table 8). The labor force

reserve alone accounted for nearly one-half of this group. In addition to these three groups, there were another 1.313 million SCSEP eligibles who worked in the prior year (2006) but did not earn enough to support a three person family at an income above the low income threshold for a 3 person family. Adding this low earnings group together with the underutilized groups yields a total of 1.753 million low wage or underutilized SCSEP eligibles. This group was 22x as large as the number of persons 55-74 years old who were served by a SCSEP program in PY 07.

Table 8:
Estimates of the Number of 55-74 Year Old SCSEP Program
Eligibles Experiencing Selected Types of Labor Market Problems in
March 2007 or in the Prior Calendar Year

Type of Problem	Number of Persons with Problem
Unemployed	145,000
Underemployed	88,600
Labor Force Research	206,9000
Worked Last Year But Annual	1,313,400
Earnings Below Low Income Threshold for 3 Person Family	1,753,000

The March CPS survey also collects data from respondents on their labor force, employment and unemployment experiences in the prior calendar year. The March 2007 survey captured information on their labor force and employment experiences during calendar year 2006. We have identified the following three groups of older SCSEP eligibles with an employment problem during the year:

- Those persons who experienced a spell of unemployment during the year
- Those who reported that they were underemployed on the part-time jobs they held; i.e., they worked part-time for economic reasons
- Those jobless persons who reported that they did not look for work because they believed no work was available¹⁷

¹⁷ This group is not the same as the labor force reserve in March 2007. This group had to be jobless all year, and only those citing a perceived lack of work for not looking for a job are included.

Estimates of the number of SCSEP eligibles with some labor market problem in 2006 are displayed in Table 9. There were a total of 562,000 individuals 55-74 years old eligible for SCSEP services who experienced one of these three problems. The largest number consisted of those persons who did not work during the year and who did not look for work because they believed no jobs were available. There were 323,000 such individuals. The second largest group is the approximately 187,000 persons who were unemployed at some time during the year.¹⁸ The total number of SCSEP eligibles experiencing one of these three labor market problems was 7 times greater than the total number of 55-74 year olds who participated in an SCSEP program. The total number of SCSEP eligibles who would have desired a community service opportunity is likely far greater than this. It would be highly desirable for future CPS household surveys to include questions on the willingness of jobless older Americans to accept employment, including information on the types of jobs that they would be willing to fill (including hours of work, pay levels, skill requirements, and commuting distance from home).

Table 9:
Estimates of the Number of 55-74 Year Old SCSEP Eligibles Who Were
Unemployed, Underemployed, or Not Looking Work At Some Point in
2006 Because They Believed No Work Was Available

Labor Market Problem Group	Number (in 1000s)
Unemployed at some time during year	186,800
Underemployed during the year	52,400
Did not look for work because believed no work was available	323,000
Total, above 3 groups	562,100

Source: March 2007 Current Population Survey, work experience and income supplement, public use files, tabulations by authors.

Comparisons of the Pool of SCSEP Eligibles with the Numbers of Older Persons Served by National SCSEP Programs, WIA Workforce Development Programs, and Adult Basic Education Programs

The national pool of 55-74 year olds estimated to have been eligible for SCSEP programs in March 2007 was estimated to be approximately 9.16 million (Table 10). As noted earlier, during Program Year 2007, there were slightly under 80,000 persons 55-74 years old who were

¹⁸ We believe this flow estimate is too conservative due to retrospective recall bias. It was only 30% higher than the stock estimate of the monthly number of unemployed SCSEP eligibles in March 2007. Typically, the flow/stock ratio of unemployment during the year ranges between 2 and 3.

enrolled in SCSSEP programs across the nation. The pool of eligibles was, thus, 115 times as high as the number served during that year (Table 10). Older Americans, including SCSEP eligibles, are also served by other workforce development and education programs, including adult dislocated worker programs operated under the Workforce Investment Act (WIA) and adult education programs funded by state and federal monies. To participate in these programs, older adults do not have to meet the same income eligibility as exists under the Senior Community Service Employment Program.¹⁹ Unfortunately, they do not collect sufficient information on the income levels of participants' families or their family size to enable us to directly identify their low income status. In Table 10, we simply present findings on the number of persons 55 and older served by these various educational and workforce development programs in recent years and compare the combined pool of such participants to the national number of 55-74 year old SCSEP eligibles.

Table 10:
Comparisons of the Number of 55-74 Year Olds Eligible for SCSEP
Programs with the Annual Numbers Served by SCSEP and Other
Workforce Development/Adult Education Programs in Recent Years

Group of 55-74 Year Olds	Number
SCSEP Eligibles, March 2007	9,157,600
SCSEP Program Participants, 55-74 (PY 2007) ⁽¹⁾	79,900
Ratio of SCSEP Eligibles/Participants (55-74 Years Old)	115*
WIA Title One Adults (55+)	48,700
WIA dislocated workers programs (55+)	34,200
Adult Basic Education Program (55+)	312,800
SCSEP Eligibles/Participants in Above Four Programs (55-74)	29.3*

1. Numbers are rolling four quarters through PY 2007 III.

According to published data on terminations from WIA adult and dislocated programs for PY 2006, there were 48,700 persons 55 and older who exited a WIA Title I adult program during that year (Table 10). Available data on the receipt of cash transfer incomes by these individuals and their disability status revealed that only 10% of them were either low income individuals or disabled. A substantial share of these individuals (more than 88 percent) did not receive any occupational training, on-the-job training, or adult basic education services. Most seem to have

¹⁹ WIA Title One adult programs were to emphasize services to low income adults but the Act does not require applicants to meet any low income criteria.

received only counseling and job search assistance from the WIA local program operator. According to the national WIA data base, there were 34,200 individuals 55 and older who exited from a WIA dislocated worker program during PY 2006. Again, only a small number of these older terminees were either cash welfare recipients, unemployment insurance exhaustees, or disabled, and few appeared to have received any occupational/technical training or adult basic education services. Data from the U.S. Department of Education's Office of Vocational and Adult Education on adult enrollment in state administered adult education programs revealed that there were 90,646 individuals 60 and older in ABE programs and we estimated another 50,000 individuals in the 55-59 age category.²⁰ Combining the members of all four groups (SCSEP, WIA adult, WIA dislocated worker, and adult basic education programs) yields a total of 312,800 individuals 55 and older served by such programs. The pool of older persons (55-74) who were eligible for SCSEP programs above was 29-30 times as high as the number of older persons served regardless of their SCSEP eligibility status.

As noted above, not all older individuals served by WIA adult, WIA dislocated worker, and adult basic education programs would have been eligible for participation in an SCSEP program. Conservatively, we have deducted two-thirds of older adults served by WIA Title One adult and dislocated worker programs and one half of those served by ABE programs from the total pool of 55 and older persons exiting from these programs to account for the fact that they were not likely eligible for SCSEP program participation. The adjusted total of 55 and older participants who would have met low income eligibility criteria was 187,520. The national number of SCSEP eligibles in the 55-74 age group was nearly 50 times as high as their actual enrollments in these four national workforce development and adult education programs in recent years. There clearly appears to be a very substantial gap between the number of low income older individuals in the nation and the number whose labor market/education needs are being addressed by existing programs including SCSEP programs.

The demand for adult education and workforce development services by older Americans will clearly increase in intensity over the coming decade as the 55-64 and 55-74 year old population grows strongly due to the aging of the baby boomers. A combination of high growth

²⁰ The OVAE data base lumps all 45-59 year olds in the same age group. There were 327,000 enrollees in this age group during PY 05. Since participation falls sharply with age, we estimate that only 50,000 of these individuals would have been 55-59 years old.

in their numbers and a projected rising rate of labor force participation among 55-74 year olds will generate very high growth in the number of older persons in the labor force of the nation.²¹ Between 2006 and 2016 the U.S. Bureau of Labor Statistics projects that the number of persons 55 and older in the nation's labor force will increase from 25.5 million to nearly 37.4 million, a rise of 11.886 million or 47% (Table 11).²² Over the same time period, the number of persons 16-54 years old in the labor force is projected to rise by only 918,000 or less than 1%. The older population will account for just under 93% of the net increase in the nation's civilian labor force. The graying of the country's labor force will clearly accelerate sharply over the coming decade.

Table 11:
Projected Changes in the U.S. Civilian Labor by Selected Age Group, 2006 to 2016
(Numbers in Millions)

	(A)	(B)	(C)	(D)
Age Group	2006	2016	Absolute Increase	Percent Increase
16 and older	151,428	164,232	+12,804	8.4%
16-54	125,960	126,878	918	.7%
55 and older	25,468	37,354	+11,886	46.7%

Source: Mitra Toossi, Monthly Labor Review, November 2007.

In many states in the Northeast and Midwest regions of the nation, the aging of the working-age population and labor force will accelerate at an even higher rate. Over the past two years, the Center for Labor Market Studies has undertaken a series of state labor force projections, with the most recent one being for the state of Connecticut.²³ Findings of our projections for Connecticut, Massachusetts, New York, and Pennsylvania are displayed in Table 16. Resident labor force growth in these four states over the 2005-2015 period was projected to be below that of the U.S. and all of the net increase in the resident labor force would take place

²¹ For a review of the projected labor force outlook by age, gender, and race-ethnic group, See: Mitra Toossi, op.cit., "Table 1," p. 34.

²² Between 2006-2014, the annual average labor force participation rate of 55-64 year olds is projected to rise by 2.4 percentage points to 66.1% and that of persons 65+ will rise by 5.3 percentage points to 20.7%. See: U.S. Bureau of Labor Statistics, "Labor Force Projections from 2006-2016 by Single Year," web site.

²³ Several of these projections of state labor force growth were undertaken for Senior Service America. Our forthcoming paper for Connecticut is titled, The Projected Outlook for the Connecticut Labor Force, 2006-2014: Slow Growth Amidst A Graying Workforce. This report was prepared by the Center for Labor Market Studies for the Connecticut Office of Workforce Competitiveness.

among those 55 and older.²⁴ In Connecticut and Pennsylvania, the number of labor force participants under age 55 would decline to a relatively considerable degree, especially among teens and 35-44 year olds.

Table 12:
Projected Changes in the State's Older Worker Labor Force (55+) as a
Share of the Projected Growth in the Total Labor Force (16+) Between 2005-2015 in
Connecticut, Massachusetts, New York and Pennsylvania

Geographic	Time Period	Change in Total Labor Force	Change in Under 55 Labor Force	Change in 55 and Older Labor Force	55 and Older Share of Labor Force Growth
New York	2005-2015	368,701	-10,589	477,597	129.5
Pennsylvania	2005-2015	278,503	-112,718	394,164	141.5
Massachusetts	2005-2015	196,215	-6,013	202,228	103.1
Connecticut*	2006-2014	68,994	-29,314	98,308	142.5

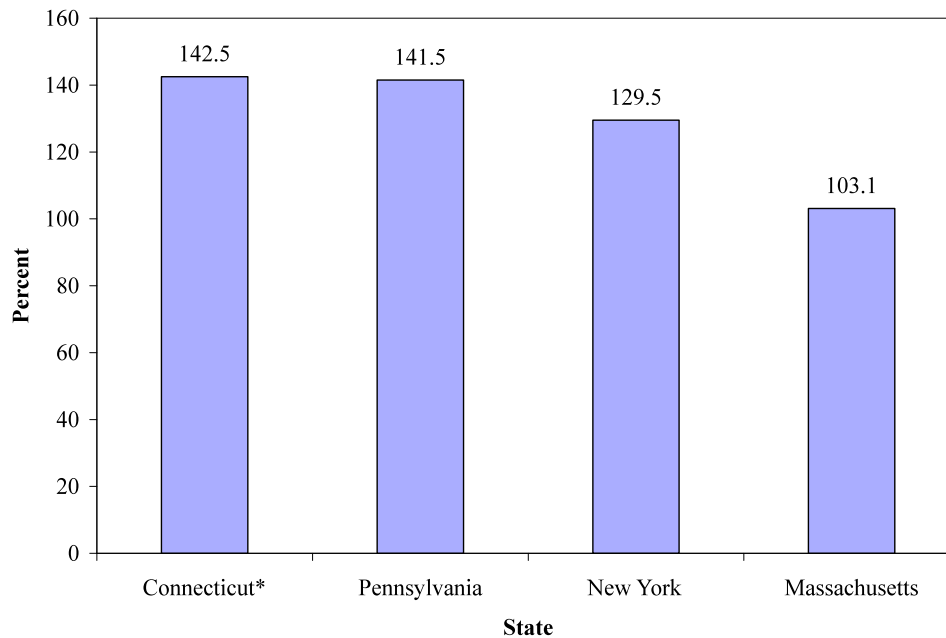
*Note: The projected labor force for Connecticut is adjusted for the institutionalized population and uses the latest projections of labor force participation rates by age/gender over the 2006-2016 period produced by the BLS.

The high projected growth in the older labor force over the coming decade will likely intensify labor market problems of the less educated and less literate members of the older worker population. The bulk of the gains in the employed among older persons over the past decade have taken place among those with at least some post-secondary education. The substantial growth in the 55-70 year old population will likely be accompanied by a sharp rise in the SCSEP income eligible population in this age group. A higher share of the 55-70 year old population will be comprised of Blacks and Hispanics who face a higher incidence of income inadequacy problems. To address the labor market and educational needs of this growing older population, the existing SCSEP, WIA, and adult basic education networks will have to be expanded, focus more of their service delivery on older workers, and integrate their services more closely with one another. Many current SCSEP participants could benefit from the provisions of ABE and ESL services to improve their literacy, numeracy, and English-speaking skills and from WIA training and job placement services to bolster their ability to obtain unsubsidized employment after completing their stint of community service. Work, education,

²⁴ Massachusetts has not experienced any growth in its labor force between 2002 and 2008. The state has the second worst rate of growth among the 50 states. Only Michigan has fared worse over this 6 year period.

training, and employability skills training should go hand-in-hand to raise both the short and long-run employment and earnings prospects of more of our graying citizens.

Chart 6:
Projected Changes in the Older Worker Labor Force (55 and Older) as a
Share of the Projected Growth in the Total Resident Labor Force of Connecticut,
Pennsylvania, New York, and Massachusetts, 2005-2015
(in %)



Note*: The time period for the Connecticut projections is 2006-2014. The Projected Labor Force for Connecticut is adjusted for the institutionalized population, and is based on the latest U.S. labor force projections published by the BLS.

Appendix A: Socioeconomic Characteristics of Older Adults (55+) in WIA Title One Adult and Dislocated Worker Programs and Their Receipt of Training Services While enrolled in PY 06

In the main body of this research paper, we presented data on the numbers of Older Americans (55+) who participated in WIA Title One adult and dislocated worker programs during Program Year 06 (PY 06). We noted, that based on available data from the WIA management information system, very few of these older WIA terminees would have been eligible for SCSEP programs and that few of them received occupational training, on-the-job training, or adult basic education services while enrolled in WIA during that program year. Evidence on both of these issues is presented in the following two appendix tables.

WIA Title One operators report information on whether an applicant was “low income”. The definition of low income is somewhat broader than that used by SCSEP. For example, members of families receiving cash public assistance income or food stamps are automatically eligible for participation as are homeless individuals. During PY 06, only 4,671 of the 49,751 older individuals terminating from WIA Title One programs were classified as “low income”. There were 825 terminees who were recipients of TANF or other public cash assistance but they would automatically have been eligible for Title One participation under the low income definition.

The WIA dislocated worker program exited 34,242 older persons in PY 06. The dislocated worker program does not collect data on the low income status of program applicants since there are no income eligibility requirements. The existing FRED system does not report any data on the cash income transfer status of applicants for dislocated worker programs. Of the 34,242 older terminees, 1,849 were classified as disabled and another 1,726 were unemployment insurance exhaustees. Some but not all of these persons would have been eligible for SCSEP program participation due to other sources of income of their own or, in the case of UI exhaustees, income of other family members. Only 3,575 older dislocated worker terminees or 10% were categorized as disabled or UI exhaustees. Clearly, a substantial majority (perhaps as high as 90%) of the older persons participating in Title I adult and dislocated worker programs would not have been eligible for SCSEP programs.

Our analysis of FRED data on the training experiences of older participants in WIA Title One adult and dislocated worker programs also revealed that few of them received any substantive occupational training, OJT, entrepreneurial training or adult basic education services in PY 06 (See Table A-2). Only 11 percent of older adults in WIA adult programs were reported to have received any training services and under 1 of 4 older persons in WIA dislocated worker programs received any training services. Most older terminees received either basic, time limited LMI services or job search assistance, including job search training, but not occupational/technical training or adult basic education services.

Appendix Table A-1:
Selected Low Income, Cash Transfer, and Disability Characteristics of Older Participants
Who Exited from WIA Title I Adult and Dislocated Worker Programs in PY 07

WIA Adult		WIA Dislocated Worker	
Total exits (55+)	48,751	Total exits (55+)	34,242
Percent of All Terminees	9.5%	Percent of All Terminees	13.2%
Low income (55+)	4,671	Disabled	1,849
Percent of exits 55 and older	9.6%	UI Exhaustee	1,726
TANF or Other Welfare Recipients (55+)	828	Disabled Plus UI Exhaustees (55+)	3,575
		As % of All Terminees (55+)	10.4%

Source: U.S. Department of Labor, "Federal Research and Evaluation Data base (FRED)".

Appendix Table A-2:
Number and Percent of 55 and Older WIA Adult and Dislocated Worker Program Terminees
Who Received Some Type of Training Beyond Job Search Including Adult Basic Education

Group	WIA Adult	WIA Dislocated Worker
All Terminees 55+	48,751	34,242
With Some Training Services	5,489	7,920
Percent with Some Training	11.2%	23.1%