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AARP Foundation Announces Urban Institute Report Showing First Comprehensive View into the 13MM Low Income Older Workers

Report reveals more older Americans working live below poverty line than ones who are unemployed

WASHINGTON, DC—AARP Foundation announced today the release of a comprehensive national report by the Urban Institute examining current employment for low-income older workers and low- and middle-wage occupations projected to grow most rapidly between 2014 and 2024. This report, funded by AARP Foundation, is the first of its kind to study both older adults and low-income workers. With Americans living longer and life expectancy continuing to increase the research is designed to provide a better understanding of employment trends for low-income older workers.

Defining low income as 300% or less of the 2015 federal poverty level (\$35,310 or lower for a one-person household) and looking at workers age 50 and older, the Urban Institute revealed that there are 13.2 million low-income older workers nationwide. In 2016, the median retirement age in the United States was 63 years old. Within this group, there are over 1.5 million older adult workers living below the federal poverty line (\$11,770 for a single individual). Thus, there are more individuals 50 and over who work and live below the poverty line than there are unemployed individuals 50 and over.

The Urban Institute report discovered that low-income workers are less likely than other workers to plan to stop working in the next five years. In fact, almost half (44 %) of low-income workers have no plans to retire and the likelihood that workers stop working in the coming years decreases with income.

“Having a job doesn’t guarantee that you’ll be able to make ends meet,” explains Lisa Marsh Ryerson, president of AARP Foundation. “That’s the harsh reality highlighted by this report. It’s a call to action to implement solutions that will help lift the burden of poverty from older workers.”

The report examines the stark reality of how low-income older workers struggle to make ends meet and takes into account gender, age and ethnicity. Key highlights include:

- **There are over 1.5 million older adult workers living on \$11,770 or less.** Some 52% of older workers have a household income of \$23,540 to \$35,310, 36% have an income of \$11,770 to \$23,422, leaving 12% percent working-poor individuals age 50 or older earning less than \$11,770 in a one-person household (\$15,930 in a two-person household).
- **More older adult women live in poverty.** Examining household income by gender shows that women are slightly more likely (13%) than men (11%) to have income below \$11,770.
- **Over 8.8 million low-income older adults work full time.** Overall, 67% of low-income workers age 50 or older report working full time (greater than 35 hours a week) and 33% report working part time.
- **More men work full time vs. more women working part time.** Some 74% of low-income older men work full time compared with 60% of low-income older women. Conversely, low-income older women report working part time at a much higher rate (40%) than men (26%).
- **The older low-income adults get, the less they work.** Over 36% of low-income older workers are ages 50 to 54, 29% are ages 55 to 59, 20% are ages 60 to 64, and the remaining 16% are age 65 and older.
- **Low-income older workers are racially and ethnically diverse and have varying education levels.** Some 59 % of low-income older workers are non-Hispanic white, 19 % are Hispanic, 15% are non-Hispanic black, and 5% are Asian. Notably among low-income older workers, 17% of women are non-Hispanic black compared with only 12% of men, and 16% of women are Hispanic compared with 22% of men.

“Without action, poverty for seniors will increase,” notes Ryerson. “We must use the vital information in this report to take action and prevent more older adults from succumbing to poverty.”

To read the second release about occupation projections for low-income older workers please visit <https://press.aarp.org/>.

To find more information about AARP Foundation, visit aarpfoundation.org.

About AARP Foundation

AARP Foundation works to ensure that low-income older adults have nutritious food, affordable, livable and healthy housing, a steady income, and strong and sustaining bonds. We collaborate with individuals and organizations who share our commitment to innovation and our passion for problem-solving. Supported by vigorous legal advocacy, we create and advance effective solutions that help struggling older adults transform their lives. AARP Foundation is the affiliated charity of AARP. Learn more at aarpfoundation.org.

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