

More Older Pennsylvanians Working



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The U.S. Census Bureau recently released data for the 2023 Q3 Quarterly Workforce Indicators (QWI).¹ The dataset uses administrative data and tracks workers over time to determine various characteristics such as worker age, rates of quits and new hires, and average monthly earnings across various sectors. Because the database uses administrative records and not surveys, it provides the best source of information regarding workers' age and transitions. It is noted that the database excludes self-employed individuals and includes roughly 88% of all payroll jobs in a quarter due to various criteria that are applied for inclusion in the database.

PA Payroll Employment: 2023 Q3 vs 2019 Q3

	Age Group				All
	14-24	25-44	45-64	65+	
Employment Change					
Number (000s)	15.1	46.0	-74.4	61.5	48.2
Percent	2.0%	2.1%	-3.7%	16.7%	0.9%
Age Group Growth	0.9%	1.6%	-6.7%	11.6%	0.4%
Share of Workers	14.3%	41.5%	36.2%	8.0%	100.0%

Note: Excludes self-employed. The data represent roughly 88% of all payroll jobs. During the four-year time period, total payroll jobs increased by 22,500 (+0.4%) versus 48,200 (+0.9%) in the QWI database.

Source: Quarterly Workforce Indicators, U.S. Census Bureau. 2023 age groups is an estimate by IFO based on 2022 age data published by U.S. Census.

The table shows the change in payroll employment from 2019 Q3 to 2023 Q3. The comparison uses the latest quarterly data and the most recent same quarter prior to the COVID-19 pandemic. Using the same quarter controls for employment changes due to seasonal variation. The data show that the number of payroll workers age 65 or older increased by 61,500 (+16.7%). By comparison, the relative or percentage change for other age cohorts

was much smaller. For the age 45-64 cohort, the number of payroll workers contracted (-3.7%), due to the on-going displacement of the large Baby Boom generation by the notably smaller Generation X.

The bottom half of the table displays the overall growth for age cohorts, whether those in the cohort did or did not work. For the age 25-44 cohort, growth in the number employed (+2.1%) was roughly equal to the (preliminary) growth for the entire age cohort (+1.6%), suggesting that labor force participation rates (i.e., the share of the age cohort working or actively looking for work) were similar in 2019 and 2023. For the age 45-64 cohort, the age group contraction (-6.7%) exceeded the contraction in number of workers (-3.7%), which suggests an increase in the labor force participation rate. For the age 65+ cohort, the growth in number of workers (+16.7%) greatly exceeds growth for the age group (+11.6%), which also suggests higher labor force participation. (Note: age 65+ cohort restricted to residents age 65 to 79 most likely to work.)

The final row of the table displays the share of payroll workers comprised of each age cohort. The 2023 Q3 data show that the age 65+ cohort comprised 8.0% of all payroll workers, up from 6.9% for 2019 Q3 (not shown). Due to the on-going rapid growth of the age 65+ cohort, older workers will likely comprise an expanding share of Pennsylvania workers through the remainder of this decade.

¹ See: <https://lehd.ces.census.gov/>.