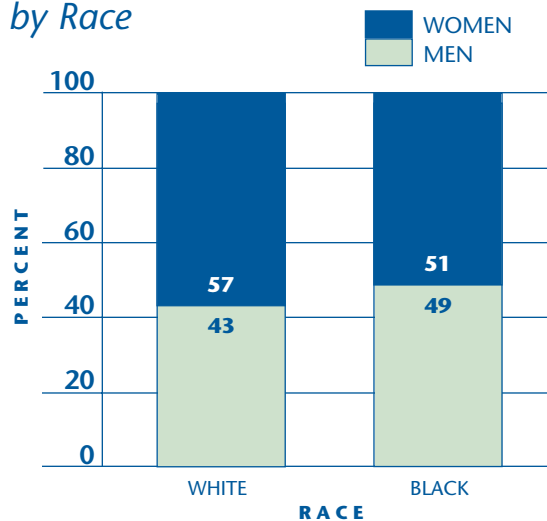




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Do Young Retirees and Older Workers Differ by Race?

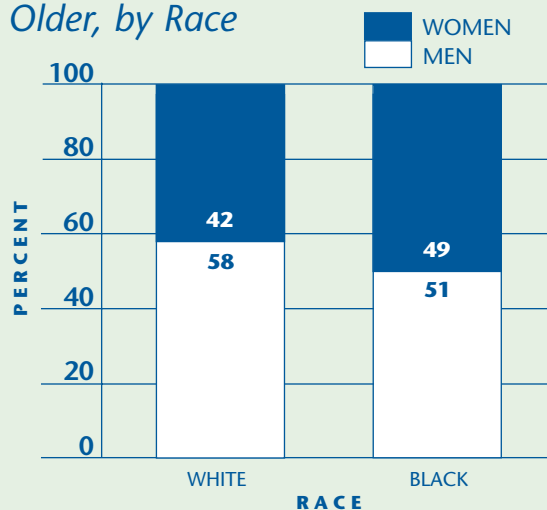
FIGURE 1
Gender of Retirees Age 51 to 59, by Race



SOURCE: National Academy on an Aging Society analysis of data from the 1992 *Health and Retirement Study*.

In general, young white retirees—people age 51 to 59 who are no longer working—are healthier and better-off financially, compared to black retirees the same age. Similarly, white workers age 60 and older are healthier and better-off financially than black workers the same age. Differences in financial status may be related to education and occupation, but also employment opportunities.

FIGURE 2
Gender of Workers Age 60 and Older, by Race



SOURCE: National Academy on an Aging Society analysis of data from the 1993 panel of the *Survey of Income and Program Participation*.

Of the 2.6 million young retirees, some 82 percent are white and 14 percent are black. Blacks account for 10 percent of the general population the same age, however. Unlike young retirees, the racial composition of workers age 60 and older is very similar to that of the general population the same age. Some 89 percent of the 8.6 million older workers are white. Blacks account for 8 percent of older workers and 9 percent of the general population the same age.

Among blacks, the work patterns of men and women are similar.

- Women account for about one-half of young black retirees and older black workers.

Gender differences are greater among white retirees and workers.

- Women account for over one-half—57 percent—of young white retirees and 42 percent of older white workers.

Black retirees are less healthy

Black people, age 51 to 59, who are retired are less physically healthy than white people the same age who are retired. Among young retirees, over one-third—36 percent—of whites report that they are in excellent to very good physical health, compared to 13 percent of blacks. The physical health status of black men and women who are retired is similar. Among white retirees, however, men are substantially less healthy than women (see Figure 3).

Black retirees are also less emotionally healthy than white retirees. For example, a larger proportion of whites—43 percent—report that they are in excellent to very good emotional health, compared to blacks—30 percent.

FIGURE 3
Physical Health Status of Retirees Age 51 to 59, by Race and Gender

	WHITE (%)		BLACK (%)	
	M	F	M	F
Excellent to very good	26	43	12	14
Good	23	23	23	19
Fair to poor	51	35	65	67

SOURCE: National Academy on an Aging Society analysis of data from the 1992 *Health and Retirement Study*.

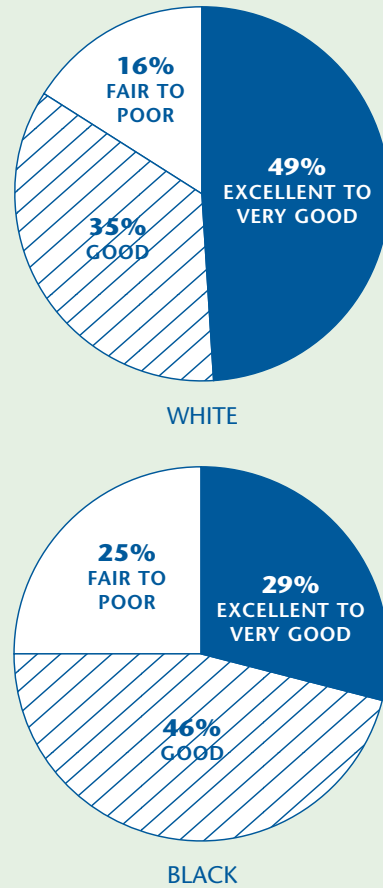
OLDER WORKERS

Black workers are less healthy, particularly women

Among workers age 60 and older, almost one-half of whites report that they are in excellent to very good physical health, compared to less than one-third of blacks (see Figure 4).

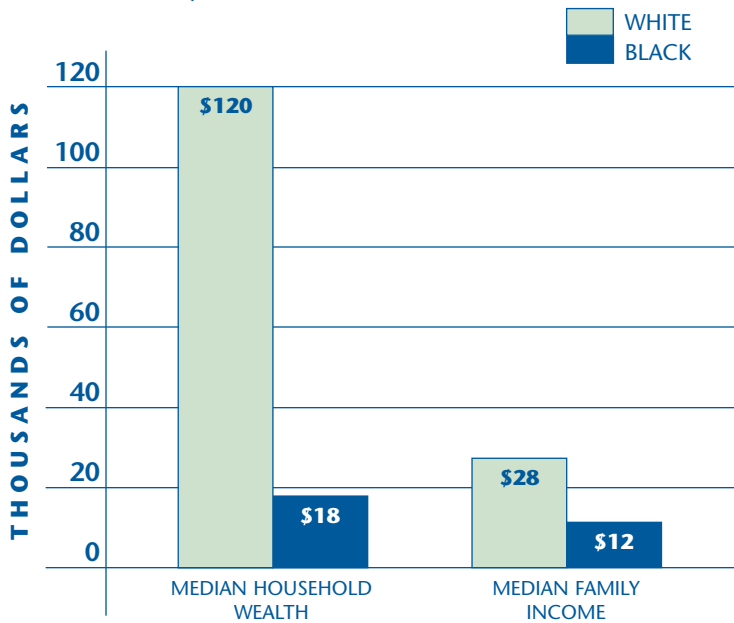
Among older white workers, there are minimal differences between men and women with respect to physical health status. Among older black workers, however, men are generally in better physical health than women. For example, over one-third—35 percent—of working black men report that they are in excellent to very good physical health, compared to less than one-quarter—23 percent—of working black women.

FIGURE 4
Physical Health Status of Workers Age 60 and Older, by Race



SOURCE: National Academy on an Aging Society analysis of data from the 1993 panel of the *Survey of Income and Program Participation*.

FIGURE 5
Median Wealth and Income of Retirees Age 51 to 59, by Race



SOURCE: National Academy on an Aging Society analysis of data from the 1992 *Health and Retirement Study*.

White retirees are much wealthier

Young retirees who are white generally are wealthier and have a higher annual income than their black counterparts. For example, the median wealth of white retirees is more than six times higher than the median wealth of black retirees (see Figure 5).

Differences in the median wealth and income of white and black retirees are reflected in their satisfaction with their finances. Almost two-thirds—63 percent—of white retirees, compared to one-third of black retirees, are somewhat to very satisfied with their finances.

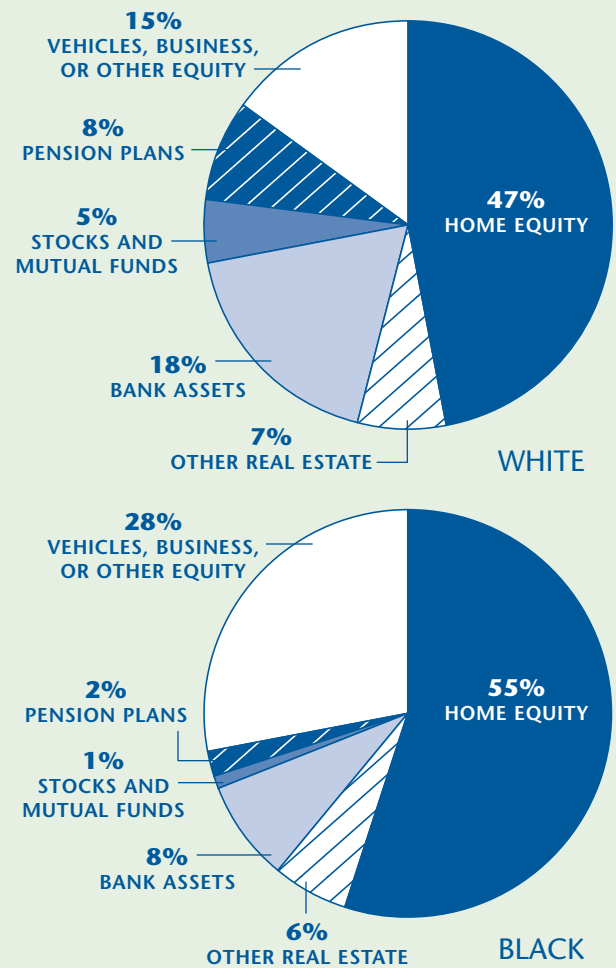
OLDER WORKERS

White workers are better-off financially

Among older workers, the median household wealth of whites—\$136,398—is three times higher than that of blacks—\$44,907. Home equity accounts for a larger proportion of the household wealth of black workers, compared to white workers. White workers are more likely to derive their wealth from bank assets, stocks and mutual funds, and pension plans, including individual retirement accounts (see Figure 6).

Generally, white workers have a higher annual family income than black workers. For example, the median family income of white workers is \$39,368, compared to \$30,375 for black workers. And the proportion of white workers with an income of \$50,000 or more—36 percent—is almost double that of black workers—19 percent.

FIGURE 6
Distribution of Wealth Among Workers Age 60 and Older, by Race



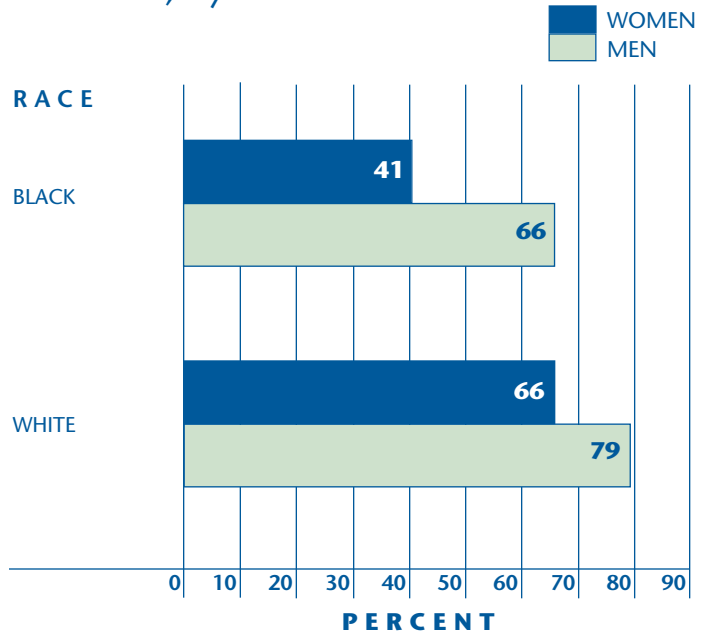
SOURCE: National Academy on an Aging Society analysis of data from the 1993 panel of the *Survey of Income and Program Participation*.

Health conditions limit blacks and men

Among young retirees, a larger proportion of blacks—72 percent—reports that a health condition limits the type or amount of work they can do, compared to their white counterparts—52 percent. Regardless of race, however, retired men are more likely than retired women to report a work limitation (see Figure 7).

In general, young retirees with a work limitation are not satisfied with their physical health. Black retirees with a work limitation are more satisfied than their white counterparts, however. For example, some 41 percent of blacks and 29 percent of whites with a work limitation are somewhat to very satisfied with their physical health.

FIGURE 7
Retirees Age 51 to 59 with a Work Limitation, by Race and Gender



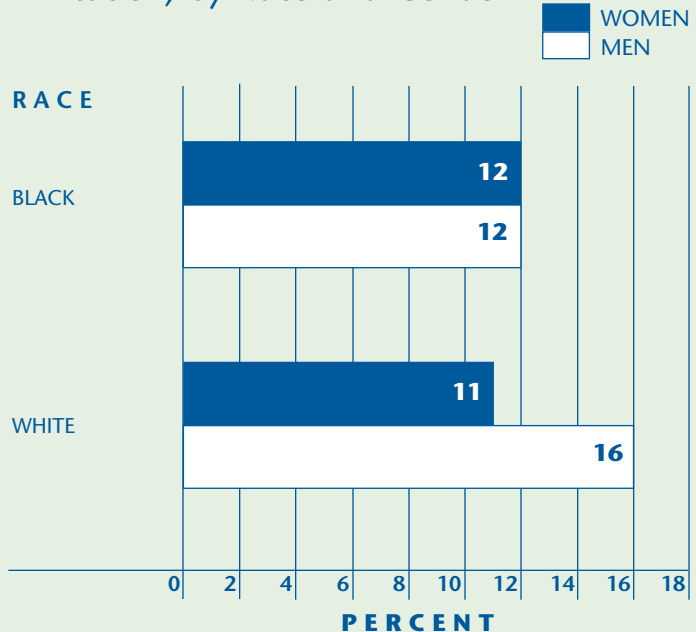
SOURCE: National Academy on an Aging Society analysis of data from the 1992 Health and Retirement Study.

Health conditions limit white men

Similar proportions of white and black workers, age 60 to 69, are limited in their work. Some 13 percent of whites and 12 percent of blacks report that a physical, mental, or other health condition limits the type or amount of work they can do.

Among white workers, a larger proportion of men reports that a health condition limits the type or amount of work they can do, compared to women. However, the same proportions of black men and women are limited in their work due to a health condition (see Figure 8).

FIGURE 8
Workers Age 60 to 69 with a Work Limitation, by Race and Gender



SOURCE: National Academy on an Aging Society analysis of data from the 1993 panel of the Survey of Income and Program Participation.

FIGURE 9

How Retirees Age 51 to 59 Spend Their Time, by Race

	WHITE (%)	BLACK (%)
Volunteers in the community 100+ hours/year	17	11
Cares for grandchildren 100+ hours/year	42	36
Attends a religious service at least once a week	35	46
Visits with neighbors several times a week	34	46

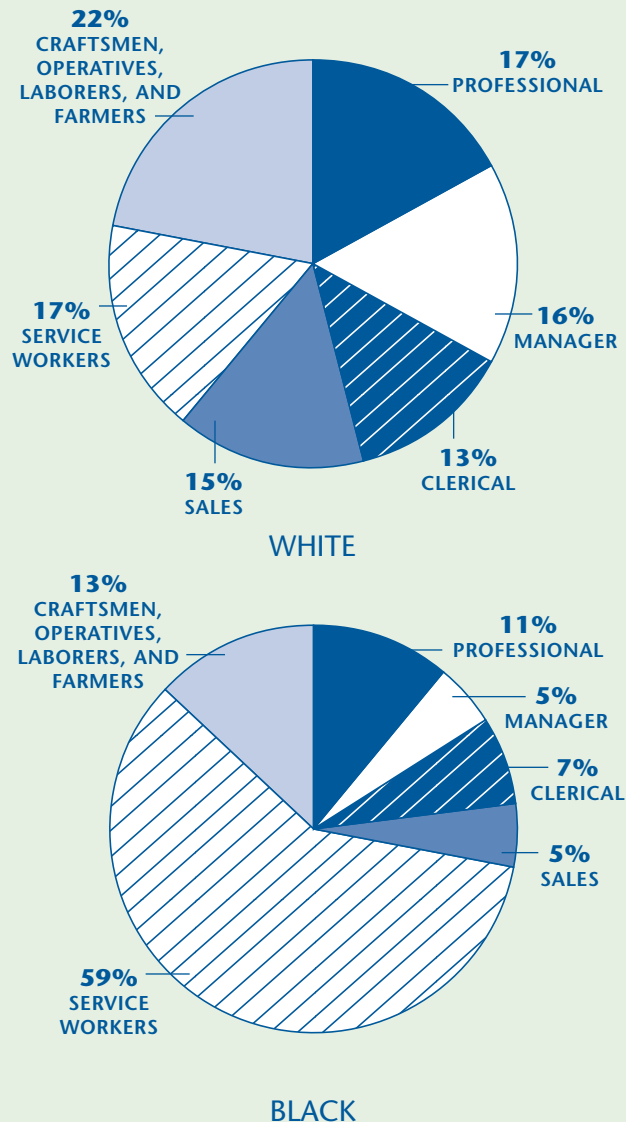
SOURCE: National Academy on an Aging Society analysis of data from the 1992 *Health and Retirement Study*.

White and black retirees spend their time differently

Among young retirees, a larger proportion of whites—17 percent—volunteers in their communities, compared to blacks—11 percent. Whites are also more likely to care for their grandchildren than blacks. Black retirees, however, are more likely to attend religious services and visit with their neighbors (see Figure 9).

FIGURE 10

Occupational Status of Workers Age 70 and Older, by Race



SOURCE: National Academy on an Aging Society analysis of data from the 1993 study of *Asset and Health Dynamics Among the Oldest Old*.

OLDER WORKERS

Black workers are more likely to have service jobs

White and black workers have very different jobs. Among workers age 70 and older, for example, over half—59 percent—of blacks, compared to just 17 percent of whites, are in service-oriented jobs, which tend to pay less and offer fewer benefits than many other jobs (see Figure 10).

Some differences in the occupational status of white and black workers may be related to differences in educational attainment. For example, 68 percent of black workers have a high school education or more, compared to 81 percent of white workers.

Income, more than race and gender, is associated with full-time work

Substantial differences in the number of hours worked between white and black workers do not appear until older ages. Among workers age 51 to 59, some 83 percent of whites and 81 percent of blacks work full time. Among workers age 60 and older, however, a larger proportion of blacks—64 percent—works full time, compared to whites—56 percent.

FIGURE 11

Proportion of Full-Time Workers, by Income and Race

	< \$20,000 (%)		\$50,000+ (%)	
	WHITE	BLACK	WHITE	BLACK
AGE				
51 TO 59	75	67	86	88
60+	34	47	69	96

SOURCE: National Academy on an Aging Society analysis of data from the 1992 *Health and Retirement Study* and the 1993 panel of the *Survey of Income and Program Participation*.

Income appears to be related to the number of hours worked. Larger proportions of high-income workers are working full time, compared to low-income workers. This is true for both whites and blacks (see Figure 11). This is also true regardless of gender. Among white men age 60 and older, for example, three-quarters of high-income workers are working full time compared to 44 percent of low-income workers. And 56 percent of older white women in the high-income group work full time, compared to 26 percent of older white women in the low-income group. Some of the high-income workers are likely working into their later years because they want to, rather than out of financial necessity.

ABOUT THE PROFILES

This series, *Data Profiles: Young Retirees and Older Workers*, is supported by a grant from the AARP Andrus Foundation. It is based on a similar series, *Challenges for the 21st Century: Chronic and Disabling Conditions*, prepared by the Academy for the Robert Wood Johnson Foundation. This *Profile* was written by Lee Shirey with assistance from Laura Summer. It is the fourth in the series. Previous *Profiles* include:

1. Who Are Young Retirees and Older Workers?
2. How Financially Secure Are Young Retirees and Older Workers?
3. How Healthy Are Young Retirees and Older Workers?

The National Academy on an Aging Society is a Washington-based nonpartisan policy institute of The Gerontological Society of America. The Academy studies the impact of demographic changes on public and private institutions and on the economic and health security of families and people of all ages.

ABOUT THE DATA

Unless otherwise noted, the data presented in this *Profile* are from three national surveys of the community-dwelling population living within the United States. The 1993 panel of the Survey of Income and Program Participation (SIPP) was conducted by the U.S. Census Bureau, and provides data for the population age 18 to 84. Wave 1 of the Health and Retirement Study (HRS) provides information for a population age 51 to 61 in 1992. Wave 1 of the study of Asset and Health Dynamics Among the Oldest Old (AHEAD) provides information about respondents age 70 and older in 1993 and 1994. Both the HRS and the AHEAD data sets were sponsored by the National Institute on Aging and the Institute for Social Research at the University of Michigan.



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