

65 and Up and Looking for Work

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It is well known that during the nation's gale-force recession, many older Americans who dreamed of [retirement](#) continued to work, often because their [401\(k\)](#)'s had plunged in value.

In fact, there are more Americans 65 and older in the job market today than at any time in history, 6.6 million, compared with 4.1 million in 2001.

Less well known, though, is that nearly half a million workers 65 and older want to work but cannot find a job — more than five times the level early this decade and this group's highest unemployment level since [the Great Depression](#).

The situation is made more dire because of numerous recent trends: many people over 65 have lost their jobs as seniority protections have weakened, and like most other Americans, a higher percentage of them took on debt than in previous generations.

The expectation once was to pay off your 30-year [mortgage](#) before you retired, or come close. Instead, the level of indebtedness among older Americans has risen faster than in any other age group, partly because so many obtained second mortgages to take money out of their homes.

This financial squeeze is one reason [President Obama](#) has proposed giving a special \$250 one-time payment to all [Social Security](#) recipients.

Many out-of-work older Americans complain that they face foreclosure or have had to give up their car.

"It's a big deal for a lot of these people not to find a job," said David Certner, legislative policy director for [AARP](#). "That so many of them are still trying to find work shows how bad the economic situation is. A lot of people normally give up at that age."

The unemployment rate for older Americans is still much better than for others — 6.7 percent compared with 9.8 percent in the general population. But 6.7 percent is more than double the level of two years ago — and far higher than the minuscule 1.9 percent rate early this decade.

And unemployed older workers stay out of work longer — 36.5 weeks on average, 40 percent longer than for the unemployed in general.

Patricia Warmhold, who has worked as a translator and telemarketer, would love to retire, but at age 67, she says that is out of the question.

Her mortgage payment is nearly \$1,500 a month, and her car payments and [auto insurance](#) are another \$350. She receives \$1,071 a month in Social Security and \$918 in pension.

"I have very little after the mortgage," she said.

Ms. Warmhold, who speaks German, French and Creole, was laid off a year ago from her job as an interpreter for a law firm. "I've been looking for jobs ever since," she said. "I applied to Nassau County and Suffolk County, and they don't call back."

A divorce worsened her financial situation, although her mother, who is in her 90s, helps by sometimes sending her \$100.

"In a month's time, I sent out 101 job applications," she said, including more than 50 to school districts, to no avail.

The recession has battered young, middle-aged and old, although several modern trends have left older workers more vulnerable than in the past — for instance, the shift toward [401\(k\)](#)'s and away from traditional pensions that give retirees a monthly stipend for life has pressured many Americans to continue working well past 60.

Another force pushing Americans to delay retirement is that the percentage of companies that provide health coverage to retirees is half what it was two decades ago. Moreover, the [age to obtain full Social Security benefits](#) has increased to at least 66 for people born after 1942, from its traditional 65.

The median income for those 65 and over was just \$18,208 in 2008 — a quarter of them had incomes under \$11,139, according to Patrick Purcell, an expert on older workers and pensions with the Congressional Research Service.

The average Social Security recipient age 65 and over receives just \$12,437 in annual benefits, he said, and among individuals 65 and older who received income from financial assets, half received less than \$1,542 last year.

While Social Security keeps most seniors above the poverty line, there are a substantial number near poverty “who are just getting by,” said Richard W. Johnson, a senior fellow at the Urban Institute. Many economists say it is good that Americans are working later in life — many are living longer and able to contribute longer.

Still, many older job seekers insist they are losing out because of age discrimination. Last year, nearly 25,000 workers filed age discrimination complaints, a 29 percent jump over 2007, according to the [Equal Employment Opportunity Commission](#).

“I often get told that I’m overqualified,” said Barbara Brooks, 71, who retired in 2003 after 30 years as an administrative assistant at the [University of California](#), Los Angeles. She said being told that is code language for “you’re too old.” But Ms. Brooks said she wanted to work — and needed to — citing her monthly mortgage of \$1,500, which eats up half her monthly pension.

“I would like to be able to treat myself to a couple of dinners, maybe a movie,” Ms. Brooks said. “I think as long as people have excellent skills, and they can get around like a 40-year-old — I’ve been told I look 40 or 50 — why shouldn’t I work?”

For years, unemployment among older Americans was largely ignored because so few of them were jobless. But now more than a million Americans over age 60 are unemployed, two-and-a-half times the level two years ago.

And at least jobless workers 65 and over are guaranteed health coverage through [Medicare](#). Workers laid off before that age often have to fend for themselves to obtain [health insurance](#), which is often prohibitively expensive for those over 60.

One such worker is Michael Husar, 62, a former engineering manager who spent 38 years with [General Motors](#) and then its Delphi auto parts spinoff. Mr. Husar, a resident of Scottsdale, Ariz., retired in 2003 at age 56, but as a result of Delphi’s bankruptcy, he now has to purchase his own health insurance. He pays \$1,600 a month, which translates to \$19,200 a year.

Despite two engineering degrees, his search for consulting work has come up empty in recent months.

“There are two reasons I feel a need to continue working,” he said. “One, I still have a lot to offer, and two, I need the money.”

Alicia H. Munnell, director of the Center for Retirement Research at Boston College, says older workers have fared better by and large than younger workers in this recession. The percentage of workers ages 25 to 54 with jobs has fallen to 75 percent, from nearly 80 percent two years ago, while the percentage of older Americans with jobs has risen slightly, to 16.3 percent.

But that is fewer than the number who want to work.

Patricia Piazza, 66, who worked for [Chrysler](#) for 30 years as an analyst, knows that all too well.

She and her 72-year-old husband, a longtime employee at General Motors Acceptance Corporation, had planned to retire by now, but she is hunting for job, and he recently landed one with the local transit system.

Their home in Warren, Mich., has dropped \$100,000 in value, Ms. Piazza said, while their pensions, as former nonunion employees, will be far less than anticipated because of the auto company bankruptcies.

Chrysler recently took away her [life insurance](#) policy and optical coverage, she said.

“It’s like the bottom fell out of everything” she said. “This isn’t the way we planned retirement.”

http://www.nytimes.com/2009/10/24/business/economy/24older.html?_r=1&pagewanted=print