

“The Public Workforce System: Serving Older Job Seekers and the Disability Implications of an Aging Workforce”

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Maria Heidkamp is a senior project manager at the Heldrich Center for Workforce Development at Rutgers University. Since 2007, she has been involved in research, evaluation, and technical assistance projects on issues related to the employment and training of older workers, dislocated workers, and workers with disabilities. She recently coauthored several research briefs relating to community colleges, including “How Are Community Colleges Serving the Needs of Older Students with Disabilities”; “Community College Practices that Serve Older Dislocated Workers”; and “Working for Adults: State Policies and Community College Practices to Better Serve Adult Workers at Community Colleges During the Great Recession and Beyond” (forthcoming). She is currently involved in research on community college and employer partnerships, with a focus on how workers with disabilities can be included in these efforts. Before joining the Heldrich Center, Heidkamp worked overseas for the U.S. Department of Labor and the U.S. Agency for International Development as a technical adviser on dislocated workers and economic and workforce development in transition economies. She also previously worked as a policy analyst for the National Governors Association covering a range of workforce issues.

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Summary and Findings: A confluence of demographic, economic, and health factors have intersected to make the employment situation of older Americans a matter of urgent national importance. The challenge for U.S. policymakers and employers is how to enable an aging workforce to keep working in spite of the labor market, economic, and aging-related challenges older workers face. This report, based on a literature review, expert interviews, and stakeholder outreach, identifies the challenges that older workers face on both the demand and supply side, describes how the U.S. public workforce system currently serves these individuals, and makes policy, program, and research recommendations aimed at improving the effectiveness of the U.S. public workforce system in serving this population. The research finds that once older workers lose a job, they face a longer stretch of unemployment, on average, than younger workers and have considerably higher rates of long-term unemployment. For those who find new jobs, many must accept steep pay cuts. It appears that older workers face both demand and supply side challenges. Demand side challenges include possible age discrimination based on negative employer perceptions and restricted hiring opportunities. Supply side obstacles include skill limitations combined with limited access to training programs, limited job search skills, and health- and disability-related challenges that often accompany aging.

Implications for Policy and Practice: Given the fact that the U.S. labor force is aging, that more workers are reaching traditional retirement age only to find that they cannot afford to retire and must keep working, and that, from a health standpoint, as people age they become more likely to acquire a disability or reduced functional capacity, which may affect their ability to remain in the workforce, this paper reviewed challenges older job seekers face and how the public workforce system currently serves them. Recommendations include prioritize workforce investment funding for strategies that research has found appear to improve employment outcomes for older job seekers, including on-the-job training and the attainment of occupational skills and credentials; provide more dedicated and comprehensive training to One-Stop staff in serving older workers, including those with disabilities, with an emphasis on forging ties to the national aging network; support research that identifies the more promising practices in providing services to older workers who have proven positive employment outcomes; support a comprehensive national study on the extent of

underreporting of disability status among job seekers, especially those 55-plus; conduct a national study to learn why older workers are less likely to participate in training than younger workers; and support an in-depth, longitudinal study of UI beneficiaries to assess the extent to which their UI reciprocity is determined by age or disability.