

Indicator 4: The Retirement Economy

By Courtney Garcia

In Barnstable County (in what year?) the Per Capita Personal Income is \$38,628 with Per Capita Net Earnings at \$22,692. This, in comparison to the state Per Capita Personal Income of \$39,504 and Per Capita Net Earnings of \$27,732, shows that more residents of Barnstable County rely on Income from sources other than a paycheck. 41% of the County's per capita income is from non-paycheck sources, compared with 30% of the state's per capita income.²

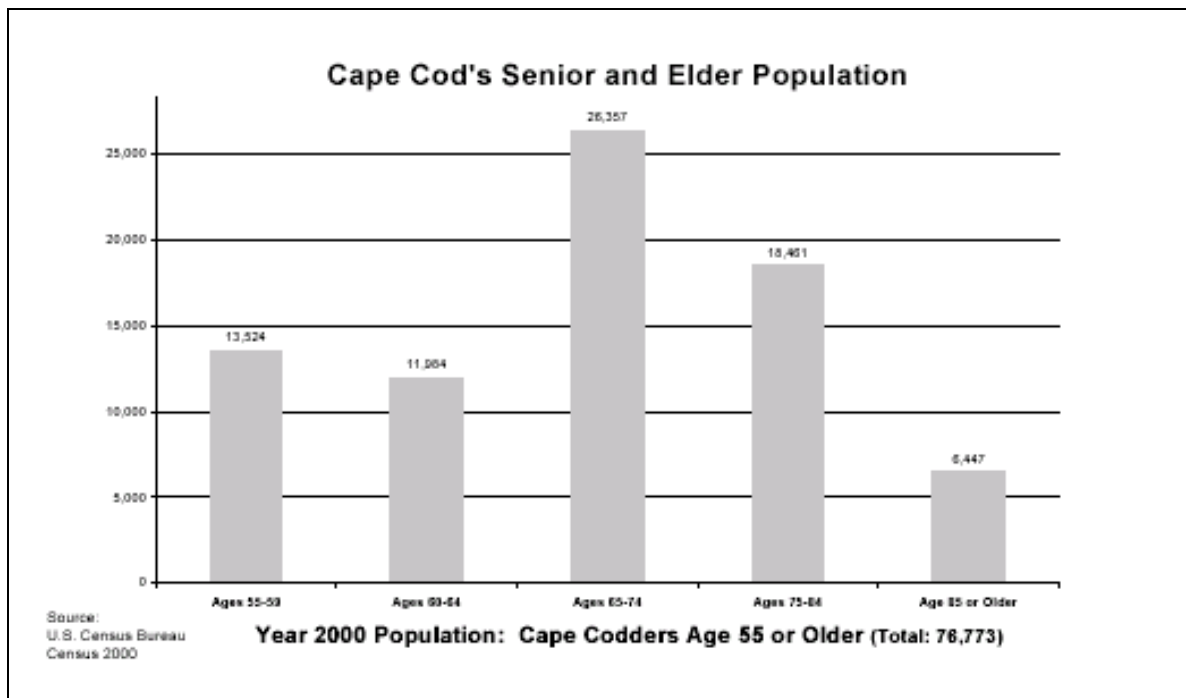
Where is the other Personal Income money coming from if not paychecks? From Income Maintenance (Supplemental Social Security, Food Stamps and other family assistance), Unemployment Insurance Benefits, Retirement funds, Dividends, Interest and Rent. In Barnstable County in (year), 15% of the Per Capita Personal Income came from Retirement funds and 25% came from Dividends, Interest and Rent. The state averages were only 11% and 16%, respectively.²

The average household on the Cape, for residents 65+ and over, was a Family Household (66%), 30% live in Non Family Households and 4% live In Group quarters.⁵

Total Population 65+ in Barnstable County: 51,265(23.1%), Male: 21,869(9.8%), Female: 29,396 (13.2%).³

There were 35.3 million older Americans (65+) in 2001, representing 12.4% of the population in the United States. Compare this to the fact that the 65+ population comprises over 23% of Barnstable County's residents.³

Total of Individuals 65+ living below poverty level: 2,482 (5%).³



Growth of Older Population

The population aged 65 and older is projected to double over the next three decades from 35.3 million to nearly 70 million. In 2030, people 65-plus are expected to make up 20 percent of the population. The Census Bureau projects the 65-plus population to be 39.7 million in 2010, 53.7 million in 2020 and 70.3 million in 2030.¹ If you apply the same projections to the population on Cape Cod, (20 percent projected versus 12.4 percent currently nationwide = 1.61 ratio) the percentage of Cape Cod residents aged 65+ could top out at 37% (23% *1.61) in the year 2030, or approximately 102,000 older residents.

The population aged 85 and older is the fastest growing segment of the older population. In 2000, it was estimated that persons 85-plus made up 2 percent of the population, and by 2050, the percentage of this age group is projected to grow to be 5 percent of the population. The 4 million people in the 85-plus age category in 2000 will grow to 19 million in 2050.¹ This could mean that the Cape's population of 85+ residents could swell from the current 6,447 to 16,117.

The aging of the Baby Boomer generation (1946-1964) plays a role in the increase in the 85+ population. The increase is also due partly to advances in medicine and increase in life span. More and more seniors will be aging past the point at which they can comfortably work outside of the house.

Employment

In 2001, 4.2 million (12.8%) older Americans made up three percent of the labor force (working or actively seeking work), including 2.4 million men (17.5%) and 1.8 million women (9.4%). (Bureau of Labor Statistics)¹

The majority of mature workers (those over 55), more than 70% in 2001, are employed full time and are doing so by choice. However, many more mature workers can be found in alternative work arrangements, such as independent contractors or temporary assignments. A larger number of older men (65 +) are in alternative or nontraditional work arrangements than women. (Bureau of Labor Statistics)¹

Education

91.7% of Cape & Islands residents (all age ranges) have a high school diploma, compared with 84.8% statewide. Also, the Cape & Islands has a high percentage of residents with bachelor's degrees than the statewide average, 34% versus 33.2%.⁷

Conclusions

The statistics above speak to many things, and careful monitoring will tell us how Cape Cod is being affected by the larger than average mature worker population and how in turn it is responding to this population.

The fact that more mature individuals are staying in, or returning to, the workforce, might offset the loss that is being felt by the 18-34 year old population that is leaving the Cape.

One thing that would be hard to track, but would be telling, is how local government and local businesses respond to the needs of the mature population.

One item to watch over the coming years is the growth or change of the Health Care sector. Per Capita, has there been an increase in retirement communities, nursing homes, home health aide agencies? How does this relate to the state and national rate?

Sources

¹NCOA Fact Sheet on Older Americans

²Bureau of Economic Analysis, Table CA 30 – Regional Economic Profiles

³US Census Table DP Profile of General Demographic Characteristics 2000 For Barnstable County

⁴Cape & Islands Workforce Development Policy Blueprint, September 2002