TESTIMONY: Older Workers Have Highest Long-Term Unemployment

NELP Urges Congress to Prevent Age Discrimination in Hiring and Help Older Workers Reenter Workforce

Washington, DC – Unemployed workers over the age of 50 continue to face extreme challenges in the labor market, the National Employment Law Project (NELP) told the U.S. Senate Special Committee on Aging today.

In Congressional testimony, NELP Executive Director Christine Owens explained that older workers are disproportionately represented in the ranks of the long-term unemployed – in 2011, more than half of older jobless workers were out of work for at least six months (54.3%), and those high rates have continued into 2012. The trends stem from a range of factors including age discrimination, employers refusing to consider unemployed workers, and industry shifts that require older workers to realign their skills to today’s labor market.

The testimony came as part of the hearing, “Missed by the Recovery: Solving the Long-Term Unemployment Crisis for Older Workers.”

“The prospects are dim for older workers who lose their jobs,” said Christine Owens, Executive Director of the National Employment Law Project. “They have the highest rates of long-term unemployment of any age group. They face pointed discrimination when they go looking for work, and they are especially vulnerable to financial instability. Congress needs to take extra steps to address the difficulties that some of the most seasoned members of the workforce are experiencing.”

In the first quarter of 2012, just over half of jobless workers ages 50 and older (50.7%) were long-term unemployed. Approximately four in ten, or 39.4 percent, had been out of work for at least one year. As the testimony documents, prolonged periods of unemployment can have a severe impact on older workers’ retirement prospects and later-life wellbeing.

The NELP testimony highlights the Fair Employment Opportunity Act of 2011 and the Protecting Older Workers Against Discrimination Act as two ways Congress can intervene, prevent and remedy much of the discrimination and challenges older workers experience.

The Fair Employment Opportunity Act of 2011 (FEOA), pending in both houses of Congress and introduced in the Senate by Aging Committee Member Senator Blumenthal, would preclude employers and job recruiters from excluding the unemployed from job consideration simply because of their unemployment status. Because long-term unemployed workers are disproportionately older, older workers are more likely to be affected by exclusionary hiring practices based on employment status.

The Protecting Older Workers Against Discrimination Act (POWADA) was introduced in March by Senators Harkin and Grassley, with Senator Leahy as a co-sponsor, to preserve the rights of older job applicants and
employees who are turned down for jobs or treated differently at work in part due to their age. The bill expressly repudiates the Supreme Court’s ruling in *Gross v. FBL Financial*, in which a five-to-four majority held that plaintiffs in age discrimination employment cases must prove not only that unlawful age considerations were a factor in an employer’s action, but that age discrimination was the deciding factor in the decision. Among other things, the bill states that courts may not require workers to prove that age discrimination was the deciding factor, but merely a motivating factor, when turned down for a job.

Finally, the NELP testimony also calls for workforce development and work-sharing programs to address the special training needs of older unemployed workers and reduce layoffs now and in the future.

“The severity and impact of long-term unemployment among older workers calls for clear and immediate action on policies that address barriers these workers face in the labor market,” stated Owens.

“Congress should take note of the numerous states considering legislation to ban hiring discrimination against the unemployed, and immediately pass the federal version. Addressing long-term unemployment among older workers also requires targeted reemployment strategies, such as job training and subsidized employment programs. Without measures like these, the harsh effects of the Great Recession will continue to impact older workers for years to come.”

*The National Employment Law Project is a non-partisan, not-for-profit organization that conducts research and advocates on issues affecting low-wage and unemployed workers. For more about NELP, visit [www.nelp.org](http://www.nelp.org).*

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