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Low Earnings But Steady Job Growth in Low-Employment Counties

The 2000 employment rate of working-age adults was near its historic high due to the robust U.S. economy and continued increases in educational attainment and women's labor force participation. Nearly 3 of 4 U.S. adults ages 21-64 held a job in 2000 (72.8 percent). In 460 counties defined as *low-employment counties*, employment rates were below 65 percent. These counties, mostly nonmetro (rural), have economies with below-average capacity for generating jobs and draw less than the average number of adults into the labor market than other counties. Improved educational and job training opportunities in conjunction with job creation strategies may raise the employment rate in these counties.

ERS's low-employment counties are found primarily in southern Appalachia,

the Mississippi Delta, and other Black Belt areas in the South; Indian and Hispanic areas of the Southwest; and timber and agricultural areas of the Northwest. Over half of all low-employment counties also have low educational levels or persistent poverty.

Many low-employment counties have experienced sluggish long-term job growth as technological change and geographic shifts in production have reduced the demand for labor in agriculture, mining, and manufacturing. In a few cases, a sudden loss of jobs due to events such as plant closings has led to high unemployment rates. Overall job growth in low-employment counties has been steady, although slower than the nonmetro average growth.



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Nonmetro low-employment counties had lower earnings per job in 2000 (\$23,623) than all other nonmetro counties (\$25,129). Low wages reduce the incentive to enter the labor market, especially among adults in families that require child care. Low-employment counties also have a higher proportion of households headed by single women and a higher share of married-couple families with a single wage earner, usually the husband. Low educational levels further limit opportunities for higher earnings and stable employment. These labor force characteristics are especially associated with lower employment rates among minorities, although rates for non-Hispanic Whites in low-employment counties are also lower than in other nonmetro counties. W

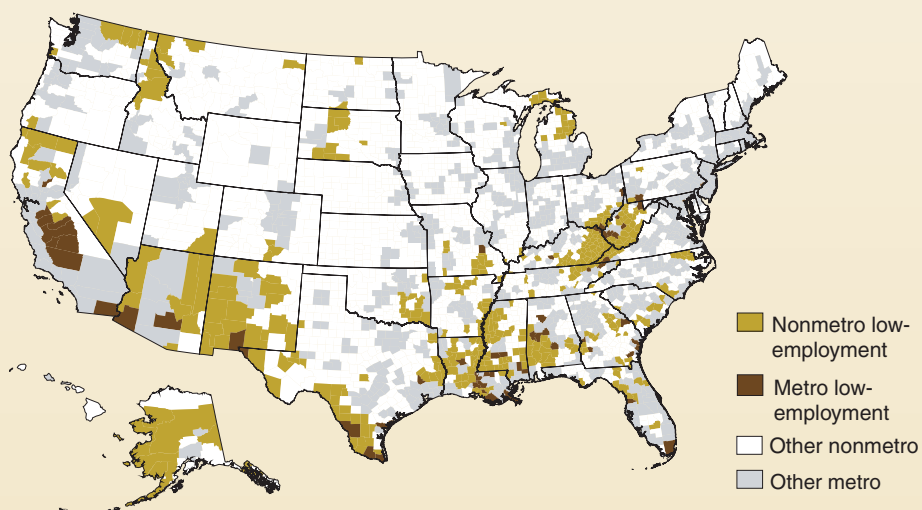
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For more information, visit:

The County Typology page of the ERS Briefing Room on Measuring Rurality:
www.ers.usda.gov/briefing/rurality/typology/

Low-employment counties are concentrated in the South and Southwest



Note: Low-employment counties had less than 65 percent of residents ages 21-64 employed in 2000. Source: Calculated by USDA, Economic Research Service using data from the U.S. Census Bureau.

Older Women and Poverty in Rural Areas

The population in many rural areas is aging steadily as a result of aging-in-place, outmigration of young adults, and immigration of older persons from metro areas, often straining community resources to provide medical and social services. Rural areas generally have a higher proportion of older persons in their total population than urban areas, and nonmetro poverty rates for older persons are higher than metro rates. Women represent 58 percent of the rural population age 65 and older, and 71 percent of the rural population age 85 and older. Because women outnumber men at older ages and are more likely to be poor, policies affecting rural health and pension programs are key to their financial standing.

Economic status in later life is a cumulative product of earnings, savings and spending, and participation in pension, health insurance, and public assistance plans. Some older women today spent all or most of their working lives in traditional roles, with limited paid work experience. Many who worked in the formal labor market experienced work interruptions due to childbearing and childrearing. Thus, older women may lack adequate financial resources from earnings, savings, or pension plans.



Painet Stock Photography

Women constituted 65 percent of the rural poor age 65 and older in 2003. In rural areas, 8 percent of men versus 13 percent of women age 65 and older were poor. Among nonmetro women age 65 and older, poverty rates were three times higher for widows than for married women. Many widowed persons live alone, and women are more likely to be widowed than men. Among the *oldest old* (a term used to define those 85 years and older), 10 percent of men and 17 percent of women in nonmetro areas were poor.

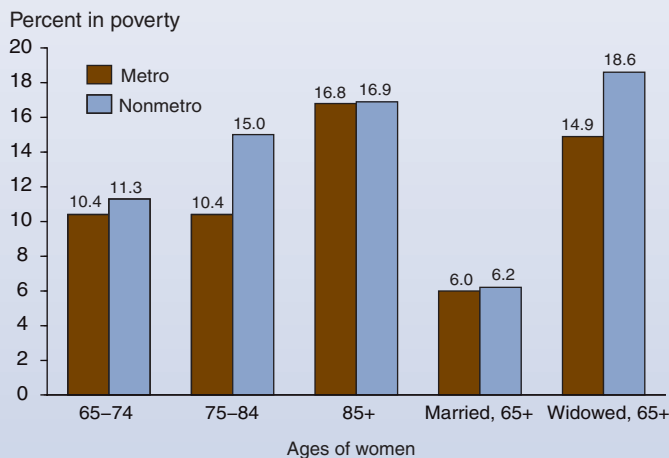
The older population's impact on a rural community will differ widely depending on whether it is composed of relatively young retirees or persons who have remained and grown old in the community. Rural retirement areas may benefit from growth, as immigrating retirees boost the tax base and help sustain local businesses. On the other hand, rural areas that have lost population, especially younger persons, and experienced declining tax bases may have greater needs for medical services and long-term care for their remaining older population. Rural areas have a higher share than urban areas of the oldest old, who are the most in need of health, medical, and other services that are more limited in rural areas. *W*

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This finding is drawn from ...

Rural Older Population chapter of the ERS Briefing Room on Rural Population and Migration, www.ers.usda.gov/briefing/population/older/

Poverty is higher for older widows than for older married women



Note: Poverty status refers to family income for 2003. Source: Calculated by USDA, Economic Research Service from the March 2004 Current Population Survey.