The Longevity Economy® Outlook

How people age 50 and older are fueling economic growth, stimulating jobs, and creating opportunities for all
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Executive summary and key insights

The contributions of people age 50 and older benefit the economy, which is good for everyone.

The population is aging, living longer and in many cases healthier lives. The 50-plus population now includes four generations, and Millennials and Generation Z will join this pipeline when they turn 50 in 2031 and 2047 respectively.

The impact of the 50-plus population on overall employment is substantial, supporting 88.6 million jobs for all generations in 2018—which is equivalent to 44% of total employment.1

People age 50-plus contribute significantly to federal, state and local taxes, and their contribution will nearly quadruple in dollar value terms between 2018 and 2050.*

Federal taxes
- 2018: $1.4 trillion (43%)
- 2050: $5.5 trillion (47%)

State and local taxes
- 2018: $650 billion (37%)
- 2050: $2.4 trillion (42%)

Notes: *This is tax impact. See Appendix 1: Methodology.

The 50-plus population contributed $8.3 trillion2 in economic activity to the U.S. economy in 2018 and this will more than triple to $26.8 trillion by 2050. In terms of direct spending, they spent $7.6 trillion (or 56 cents of every dollar spent) on goods and services in 2018 that also benefited their families and communities. By 2050, this figure will rise to 61 cents of every dollar.

The societal benefits of the 50-plus population’s unpaid activities3, worth $745 billion in 2018 (in addition to the $8.3 trillion in economic activity), are widely felt: they care for a family member or loved one; help to raise grandchildren; and volunteer their time and support charities.

The overall contribution of the 50-plus population’s economic and unpaid activities was worth slightly more than $9 trillion in 2018.

Note: All forecasts account for the effects of COVID-19 on U.S. demographic and economic projections.

1. This figure includes jobs directly and indirectly supported by the 50-plus population through its consumption spending, labor supply, and tax contributions.
2. The $8.3 trillion figure is the sum total of GDP generated by all industries as a result of the 50-plus population’s existence and participation in market activities. (i.e. it spends money, pays taxes, and provides labor.) All these things generate economic activity, which ripples through industries and their supply chains, eventually generating a final GDP figure.
3. Defined as volunteering and caregiving for children and adults, to grandchildren, spouses, parents, friends, and neighbors.
Introduction

We are all aging. The good news is the way we are aging is changing, and mostly for the better. We have opportunities for continued productivity and growth that would be unrecognizable to previous generations. Our ability to live longer, healthier and more productive lives is one of humankind’s greatest accomplishments. The bad news is that attitudes and stereotypes about aging have not changed enough: many products and services available to an aging population are woefully out of date.

As the U.S. population lives longer and extends its working life well past the traditional retirement age, it is contributing to economic growth as well as combatting myths about how aging affects the economy. The economic contributions of the 50-plus demographic cut across generations, in part because people age 50 and older provide resources to support their parents, children, and grandchildren. These contributions are part of our societal commitment to each other and they are ageless.

The 50-plus cohort is composed of 117.4 million people (35% of the total population). By 2030, this figure will rise to 132.3 million and, by 2050, 157.3 million people.4

The fastest growing age group is 85-plus; the second fastest is 100-plus.5 The economic contribution of the 50-plus population has a ripple effect which benefits the full economy and is good for everyone. These changing demographics present a profound opportunity that calls for innovation, creative market solutions, and market growth. Adjustments to public policy, workplace culture, the design and delivery of products and services and advertising strategies will be necessary to accommodate the growing markets of today and the future.

Contrary to common preconceptions that frame a growing older population as a drain on society, this Longevity Economy outlook illustrates how people age 50-plus will continue to contribute to society and help to drive economic growth, innovation, and new value creation.6

Moreover, this trend is only accelerating. Today, 56 cents of every dollar spent in the U.S. in 2018 was attributable to the 50-plus population, and this share is set to increase to 61 cents by 2050. These contributions provide opportunity for innovative products and services, and has clear implications for how companies’ workforces will evolve. As such, understanding this trend and responding to it proactively is a key business imperative.

This outlook examines the 50-plus population’s economic contribution from various angles. We will consider the changing demographics of the 50-plus cohort as consumers, workers, and taxpayers before exploring their wider economic impact on Gross Domestic Product (GDP), jobs, and wages.

By examining the economic contributions of the growing 50-plus population, this outlook sheds light on its increasing impact. This group will continue

The 50-plus population now represents four generations and by 2031 will include millions of Millennials. Generation Z will begin to join the 50-plus cohort in 2047:

- The GI Generation, born 1901-1926
- The Silent Generation, born 1927-1945
- Baby Boomers, born 1946-1964
- Generation X (Gen X), born 1965-1980
- Millennials, born 1981-1996
- Generation Z (Gen Z), born 1997-2012

Figure 1

The economic contribution of the 50-plus population will triple by 2050

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP Contribution</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>8.3 trillion</td>
<td>52%</td>
</tr>
<tr>
<td>2030</td>
<td>12.6 trillion</td>
<td>46%</td>
</tr>
<tr>
<td>2040</td>
<td>18.4 trillion</td>
<td>46%</td>
</tr>
<tr>
<td>2050</td>
<td>26.8 trillion</td>
<td></td>
</tr>
</tbody>
</table>

Notes: Nominal GDP. All forecasts account for the effects of COVID-19 on U.S. demographic and economic projections. Source: The Economist Intelligence Unit, Bureau of Economic Analysis, REMI.

to serve as the bedrock of the U.S. economy as more generations, including Millennials and Generation Z, turn 50. This demographic dividend, and the opportunities it presents, will affect all generations, communities, and industries in our society.
The 50-plus cohort represents 35% of the U.S. population and has an outsized impact on the U.S. economy

Contribution of people age 50 and older in relation to U.S. GDP, wages and salaries, and jobs, 2018

<table>
<thead>
<tr>
<th>Objective</th>
<th>U.S.</th>
<th>China</th>
<th>U.S. 50-plus population</th>
<th>Japan</th>
<th>Germany</th>
<th>UK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stimulates GDP</td>
<td>$12.2 trillion</td>
<td>$8.3 trillion</td>
<td>$5.7 trillion</td>
<td>$5.0 trillion</td>
<td>$4.0 trillion</td>
<td>$2.8 trillion</td>
</tr>
<tr>
<td>Generates a significant amount of wages and salaries</td>
<td>$6.7 trillion</td>
<td>$5.7 trillion</td>
<td>$5.7 trillion</td>
<td>$5.0 trillion</td>
<td>$4.0 trillion</td>
<td>$2.8 trillion</td>
</tr>
<tr>
<td>Creates jobs</td>
<td>110.6 million</td>
<td>88.6 million</td>
<td>110.6 million</td>
<td>88.6 million</td>
<td>110.6 million</td>
<td>110.6 million</td>
</tr>
</tbody>
</table>

Notes: The 50-plus GDP figure is the GDP generated by all industries as a result of the 50-plus population’s existence and participation in market activities (i.e. it spends money, pays taxes, and provides labor. Wages and salaries comprise the sum of wages and salaries, supplements to wages and salaries, and proprietors’ income.

Source: The Economist Intelligence Unit, Bureau of Economic Analysis, Bureau of Labor Statistics, REMI.

As this outlook reveals, the economic activity driven by the 50-plus population was worth $8.3 trillion in 2018, and is forecast to more than triple to $26.8 trillion by 2050. To contextualize this figure, the economic contribution of people age 50 and older is equivalent to 40% of the U.S. economy’s entire GDP. If it were a country, it would be the third biggest in the world (after the U.S. and China). The estimated economic value of its unpaid contributions is worth an additional $745 billion in 2018. In the absence of these contributions, the cost to society—and to government more specifically—would skyrocket. The economic activities of the 50-plus population underpin the social fabric and economic engine of the U.S.

Beyond economic contributions, the 50-plus population is giving back to society in significant ways. It plays a central role in supporting families and communities, whether it is caring for an aging parent, family member, or friend; raising or helping to support their grandchildren; and volunteering its time and supporting charities.

The 50-plus cohort plays a central role in supporting families and communities, whether it is through volunteering, caregiving, or contributing charitable donations.
How we developed the Longevity Economy outlook

Previous AARP Longevity Economy reports assessed the economic impact of the 50-plus population using spending as an input. The resultant economic activity generated across a number of industries was then estimated (this method is also known as the ripple effect of direct spending). The final outputs of this analysis highlighted the 50-plus population’s impact on GDP, jobs, wages and salaries, and taxes.

This Longevity Economy outlook has expanded on the previous work in several important ways:

- The impact analysis was conducted using a dynamic forecasting model from Regional Economic Models, Inc. (REMI).
- The final analysis incorporated both market and unpaid activities of the 50-plus population.
- The new methodology was applied retrospectively to data from 2015, the year of the last report, to allow trend analysis to be conducted.
- Projections were added through 2050.

This dynamic model enables a more holistic estimation of the 50-plus cohort’s economic impact, taking into account not only its spending but also other inputs, such as its workforce and tax contributions. These inputs drive complex interactions, creating demand and output across industries and rippling through the economy. The model collates these effects to determine the 50-plus population’s overall contribution to GDP, employment, wages and salaries, and taxes. The model’s simulations also forecast these impacts through 2050, and analyze their effects within specific industries.

Finally, the new methodology also includes estimates of the economic value generated by the 50-plus population through unpaid activities like volunteering and caregiving. The total contribution in this sphere was estimated using data from the American Time Use Survey, AARP’s Valuing the Invaluable report, and wage data from the Bureau of Labor Statistics.

Figure 4

Measuring paid and unpaid contributions of the 50-plus population

Inputs

- Spending (50-plus cohort)*
- Labor supply (50-plus cohort)
- Taxes (50-plus cohort)

Unpaid contributions

- Time spent
- Value of time, talent and effort

Outputs

- GDP
- Jobs
- Wages and salaries
- Taxes

Societal contribution

Note: *Includes charitable donations.

KEY TERMS

Contribution to/supporting/creating: the ripple effects (directly and indirectly) of the economic activities of the 50-plus cohort.

Spending: household and personal consumption expenditures of products and services (an input in the REMI model).

Jobs (employment): full-time and part-time jobs.

Labor supply: the labor force supplied by the 50-plus population.

Wages and salaries: the sum of wages and salaries, supplements to wages and salaries, and proprietors’ income.

Our nation is rapidly aging as individuals are enjoying longer and healthier lives, enabling them to work longer, spend more time with family, participate in communities, and contribute to society. As a result, private sector leaders now have the chance to seize this economic opportunity and harness the power of the 50-plus cohort. (The sheer scale of this cohort’s economic contribution is remarkable: it was worth $8.3 trillion in annual economic activity in 2018 and generated an additional $745 billion-worth of unpaid activities the same year.) The 50-plus population is also growing faster than the population as a whole. Its share of the total was less than 30% in 2004 but is forecast to rise to 41% by 2050. Meanwhile, in keeping with the rest of the country, the 50-plus population is becoming more diverse and multicultural. This in no small part relates to the growing number of Hispanics in the U.S. overall: between 2018 and 2050 their share of the population is forecast to rise from 11% to 21%. (In comparison, the population share for African Americans is forecast to rise from 11% to 13% over the same period, and for other non-Hispanics, from 7% to 11%).

The economic contributions of the 50-plus population

Demographics: Breaking barriers and redefining longevity

Within the 50-plus age demographic the fastest growing group is the 85-plus population which is set to expand by an annual average of 3% up to 2041. Conversely, the 50-59 bracket will remain largely flat through to 2050. The rapid growth of the oldest segment of the population warrants particular attention from stakeholders.

U.S. businesses will gain from appraising what this ongoing demographic transformation means for their sales strategies, product development and services, and workforce.
Consumer spending among the 50-plus population benefits families, businesses, and communities at large

Consumer spending contributes nearly 70% of GDP\(^{11}\), and the 50-plus population is driving a disproportionately high share of this expenditure. Direct spending by people age 50 and older amounted to $7.6 trillion of the total $13.5 trillion in 2018—meaning that for every dollar spent by households, 56 cents of this was attributable to the 50-plus population—and their impact will only increase. By 2050, this cohort is forecast to spend $25.5 trillion (61% of total spending).

In 2018, 56 cents of every dollar was spent by the 50-plus population in the U.S. This figure is set to rise to 61 cents by 2050.

Figure 7

Spending by the 50-plus population contributes to the overall growth of the economy

Expenditure of the 50-plus population by product ($ billion)

<table>
<thead>
<tr>
<th>Product</th>
<th>2018</th>
<th>2050</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthcare</td>
<td>1,958</td>
<td>1,671</td>
</tr>
<tr>
<td>Housing and utilities</td>
<td>5,174</td>
<td>1,178</td>
</tr>
<tr>
<td>Leisure and hospitality</td>
<td>3,949</td>
<td>1,931</td>
</tr>
<tr>
<td>Motor vehicles and parts</td>
<td>1,178</td>
<td>1,492</td>
</tr>
<tr>
<td>Groceries</td>
<td>1,931</td>
<td>2,133</td>
</tr>
<tr>
<td>Financial services &amp; insurance</td>
<td>535</td>
<td>514</td>
</tr>
<tr>
<td>Other services*</td>
<td>514</td>
<td>1,025</td>
</tr>
<tr>
<td>Other non-durable goods*</td>
<td>306</td>
<td>206</td>
</tr>
<tr>
<td>Clothing and footwear</td>
<td>206</td>
<td>587</td>
</tr>
<tr>
<td>Technology</td>
<td>585</td>
<td>585</td>
</tr>
<tr>
<td>Education services</td>
<td>140</td>
<td>623</td>
</tr>
<tr>
<td>Transportation services</td>
<td>135</td>
<td>299</td>
</tr>
<tr>
<td>Other durable goods*</td>
<td>80</td>
<td>198</td>
</tr>
<tr>
<td>Other non-durable goods*</td>
<td>59</td>
<td>171</td>
</tr>
</tbody>
</table>

Percentage change (2018-2050)

- Healthcare: +273%
- Housing and utilities: +210%
- Leisure and hospitality: +235%
- Motor vehicles and parts: +235%
- Groceries: +223%
- Financial services & insurance: +299%
- Other services*: +190%
- Other non-durable goods*: +235%
- Clothing and footwear: +185%
- Technology: +345%
- Education services: +121%
- Transportation services: +148%
- Other durable goods*: +190%

Notes: *Other services include professional services, personal care and clothing services, social services and religious activities, postal and delivery services. *Other durable goods include jewelry and watches, luggage, and similar personal items. Education services include spending on education across all members living in the same household (consumption expenditures are recorded at the household level). * Other non-durable goods include food furnished to employees (including military), household supplies, personal care products, tobacco, food produced and consumed on farms, and net expenditures abroad by U.S. residents.

Source: The Economist Intelligence Unit, Bureau of Labor Statistics, Bureau of Economic Analysis, REMI.

The 50-plus population is an economic engine in its own right, which helps drive the overall economy. Business leaders who appreciate the market opportunity and develop offerings to meet the needs of 50-plus consumers stand to benefit significantly. The Longevity Economy outlook identifies product categories best-placed to benefit, with the financial services and insurance sectors ranking high on the list.

Almost two-thirds of spending on financial services and insurance is attributable to the 50-plus age demographic for whom retirement and other financial planning needs are immediate and pressing. As lifespans extend, retirement assets will need to be managed to go further. The 50-plus cohort is forecast to see its share of total spending in this sector reach 70 cents of each dollar by 2050. This creates business opportunities to develop new products and services that better meet the needs of the 50-plus population.

Likewise, healthcare spending is set to rise from $2 trillion in 2018 to $7.3 trillion by 2050. This increase in demand is one of the reasons why the healthcare sector is a growing source of jobs (see Living and working longer: How people age 50 and older support jobs and America’s economy). The collective spending power of the 50-plus population was strong in 2018 and will be stronger by 2050. Its purchasing power increases demand for products and services for all ages.

For instance, grandparents spent a total of $179 billion annually on their grandchildren, approximately $2,562 per grandparent according to an AARP study. This spending provides an opportunity for industry leaders to make their companies more universally relevant by targeting the 50-plus cohort while simultaneously benefiting other generations as well.

Some 5.1 million people age 50 and older work in education, helping to soften the impact of chronic teacher shortages estimated at 112,000 positions in 2018 alone.

Living and working longer: How people age 50 and older support jobs and America’s economy

Between 2001 and 2018 the labor force participation rates of men in the 50-plus cohort rose from 51.7% to 52.8%. Among women the rate rose even more steeply, from 36.7% to 41.1%. Indeed, labor force participation growth among those aged 65 leapt by 8.0% over the same period. This ongoing trend is evident not only in white collar jobs, but also in blue collar sectors that often involve more physically demanding labor, such as manufacturing, construction, and transportation.

As working lives extend, we are working in truly multigenerational workplaces. Today’s workplace could have five generations present, from Silent Generation to Gen Z (see the definition in Introduction). These changes make it even more important for workplaces to embrace age-inclusive cultures that support meaningful work and an environment of respect, and equity for all generations. Indeed, a recent survey found that seven in ten workers say they like working with generations other than their own, and the majority agree that both younger and older workers bring a set of positive attributes that enhance the workplace environment.

For the economy’s success going forward, it is vital that this trend persists. Take healthcare—the sector in which the 50-plus population is best represented, with 7.3 million employed in the industry in 2018—as an example. Given projections that the healthcare sector’s share of GDP is likely to reach close to 20% by the latter part of the next decade (from 17.9% in 2017), a steady increase of 50-plus workers is going to be essential to ensure the sector is able to keep up with demand. A similar story could be told in the education sector, in which 5.1 million people age 50 and older (out of a total workforce of 13.7 million) are employed. The industry is currently beset by chronic teacher shortages estimated at 112,000 positions in 2018 alone.

14. EIU calculations, based on data from REMI and Bureau of Labor Statistics.
Impacts of the 50-plus population on the economy: A large and growing contribution

**GDP, employment, and wages and salaries**

All of the activities of the 50-plus population—their spending, their work, their tax payments—support a substantial portion of the U.S. economy. When taking into account the ripple effects, the 50-plus cohort generated the following:

- **$8.3 trillion** towards GDP (or 40% of the total)
- **88.6 million jobs** (or 44% of the total)
- **$5.7 trillion** in wages and salaries (or 46% of the total)

All this comes via an age group that makes up 35% of the population, some 44 million of whom are retired (out of a total 50-plus population of 117.4 million people).19

This economic engine powered by the 50-plus population is set to persist as its share of the population rises steadily through to 2050 (when it will make up 41% of the population). Its impact on wages and salaries is particularly strong (reaching $17.7 trillion by 2050, or 47% of the total) as the 50-plus cohort’s earnings20 feed through into those sectors where its spending is concentrated—namely healthcare and financial services.

Under our current baseline forecasts, the 50-plus population’s impact on total jobs, wages and salaries, and GDP will grow as a share of the overall economy. This underscores the imperative for businesses to create innovative products to support the needs of a changing population (see Looking ahead: Connecting the dots of opportunity, markets, and the foundation for the next generation).

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20. In 2017, according to the EIU estimates based on IRS figures, under-50 filers earned an average wage of $52,000, while over-50 filers earned an average wage of $76,000.
Taxes (federal and state/local)\(^{21}\)

The 50-plus age demographic (which make up 35% of the population) is also a major source of indirect and direct tax revenue, essential to the health of federal, state, and local finances. (Indirect tax revenue refers to that generated via the economic activities of the 50-plus population; direct tax revenue is that directly paid by the 50-plus population.) At the federal level, people age 50 and older contributed 43% of the total tax take in 2018, or a little over $1.4 trillion dollars. This figure refers to the impact on tax revenues of 50-plus participation in the economy rather than directly paid taxes. This reliance on the 50-plus population is only set to increase. It is estimated that the group will support 47% of total federal tax revenue by 2050, or $5.5 trillion. This projection reflects both the ongoing growth of the 50-plus age demographic and the income it generates.

State finances paint a similar picture. The 50-plus cohort is responsible for almost $650 billion in revenues today. By 2050, its contribution is forecast to approach $2.4 trillion. With this data in mind, it is clear that the 50-plus population is intrinsically entwined with the present and future stability of federal, state, and local finances (see Box on page 13).

\(^{21}\) Federal taxes account for all forms of federal tax revenue including income taxes, payroll taxes, corporate taxes, excise taxes, estate/gift taxes, customs taxes and miscellaneous receipts. State/local taxes account for the aggregate of all state tax revenues (personal taxes, sales taxes, excise taxes, property taxes, corporate taxes, and state social insurance taxes), while excluding non-tax forms of state income (e.g. transfer receipts from the federal government, etc.).

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\*The Longevity Economy® Outlook  ︱ How people age 50 and older are fueling economic growth, stimulating jobs, and creating opportunities for all\*
The growing reliance of federal, state, and local governments on the 50-plus taxpayer—both directly in terms of their payments (inputs) and indirectly through their broader impact (outputs)—provides a factual counter-narrative to the presumption that aging economies pose a risk to public finances. In reality, this outlook suggests entirely the opposite. The share of federal income taxes paid by the 50-plus population (before taking into account the ripple effects on the wider economy) was worth almost $1 trillion in 2018, or a very substantial 59% of the total—far above their share of the population (35%). This revenue is only set to grow. Direct income tax revenue from this cohort is forecast to increase by an annual average of 4.7% in 2020-2050, lifting its share of the total to 65%.

**Figure 13**

The 50-plus cohort contribute a significant share of tax

<table>
<thead>
<tr>
<th></th>
<th>Population</th>
<th>Federal income taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td>50-plus</td>
<td>35%</td>
<td>59%</td>
</tr>
<tr>
<td>Under-50</td>
<td>65%</td>
<td>41%</td>
</tr>
</tbody>
</table>

**Figure 14**

The 50-plus population’s federal direct income taxes will rise steadily to 2050

Income tax revenue by age group ($ billion)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>990</td>
</tr>
<tr>
<td>2030</td>
<td>1,746</td>
</tr>
<tr>
<td>2040</td>
<td>2,649</td>
</tr>
<tr>
<td>2050</td>
<td>3,998</td>
</tr>
</tbody>
</table>

+76%, +52%, +51%

Source: The Economist Intelligence Unit, Internal Revenue Service, Congressional Budget Office, REMI.
A closer look at industries

The Longevity Economy outlook forecasts the impact of the 50-plus population on a range of industries, with the projections stretching through to 2050. Although details differ across industries, the findings are clear: the 50-plus cohort, through either spending or working (or both), is powering demand and employment in every sector. With that in mind, we have selected a number of industries to demonstrate how the 50-plus population is shaping the development of the wider economy.

1. Financial services and insurance

Almost two-thirds of expenditure in the financial services and insurance industry—or 65 cents of every dollar—is attributable to the 50-plus age demographic, within which retirement and other financial planning needs are immediate and pressing.

The high spending on financial services has major ripple effects for the broader industry. Notably, in 2018 this demographic contributed nearly half the industry’s GDP.

This demographic also accounted for a similarly high share of jobs, GDP, and wages and salaries in financial services (48%, 48% and 50% respectively), and its contribution in all three cases is expected to reach an average of 50% by 2050.

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Figure 15

The 50-plus population generates jobs, wages and salaries in the financial services industry

<table>
<thead>
<tr>
<th>Category</th>
<th>2018</th>
<th>2030</th>
<th>2040</th>
<th>2050</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jobs generated</td>
<td>514</td>
<td>729</td>
<td>1,042</td>
<td>1,492</td>
</tr>
<tr>
<td>(Total jobs: 19.7 million)</td>
<td>52%</td>
<td>50%</td>
<td>48%</td>
<td>48%</td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>592</td>
<td>729</td>
<td>1,042</td>
<td>1,492</td>
</tr>
<tr>
<td>(Total wages and salaries: $1,183 billion)</td>
<td>50%</td>
<td>50%</td>
<td>48%</td>
<td>48%</td>
</tr>
<tr>
<td>GDP stimulated</td>
<td>2,006</td>
<td>2,413</td>
<td>2,413</td>
<td>2,413</td>
</tr>
<tr>
<td>(Total GDP: $4,213 billion)</td>
<td>48%</td>
<td>52%</td>
<td>50%</td>
<td>50%</td>
</tr>
</tbody>
</table>

Note: Financial services includes real estate.
Source: The Economist Intelligence Unit, Bureau of Labor Statistics, Bureau of Economic Analysis, Joint Center for Housing Studies of Harvard University, REMI.

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Figure 16

Spending among people age 50 and older on financial services and insurance will nearly triple by 2050

Spending by the 50-plus population in the financial services industry ($ billion)

- 2018: 514
- 2030: 729
- 2040: 1,042
- 2050: 1,492

Note: Financial services includes real estate.
Source: The Economist Intelligence Unit, Bureau of Labor Statistics, Bureau of Economic Analysis, Joint Center for Housing Studies of Harvard University, REMI.

22. It is important to note that there is not always a direct correlation between consumption and labor supply to the sector and its uplift. In particular, other factors, such as innovation or export demand, can affect the impact.
23. Overall, the research analyzed the impact of the Longevity Economy on 16 industries (see Appendix: Figure 1).
24. Excluding taxes and subsidies.
2. Health services

The health services industry is of central importance to the economy. This recession-proof sector is one of the fastest-growing, and since 2017 has been the biggest employer in the country. It is also among those industries where the 50-plus population plays the most prominent role, in part due to the huge share of spending attributable to this cohort.

The impact of spending by the 50-plus population (accounting for 63% of total health services spending in 2018) is critical for employment in this sector. Over 20 million people held health services jobs in 2018 (of which some two-thirds were under 50).

This backdrop helps explain the dominance of the 50-plus population in this industry, where their activities support 55% of GDP and jobs, and 58% of wages and salaries paid in health services in 2018. As the share of the population that is 50-plus increases over the next few decades, demand for healthcare services will rise, spurring employment growth and therefore wages and salaries in this sector.

The Longevity Economy ®
Outlook ︱ How people age 50 and older are fueling economic growth, stimulating jobs, and creating opportunities for all

3. Technology

Few misconceptions are more pervasive than the notion that older adults are unenthusiastic about technology. The opposite is true. Numerous studies have shown that older Americans are embracing technology. Indeed, one survey in 2018 found that of the 50-plus population, more than 90% own a computer or laptop, 70% have a smartphone, and over 40% own a tablet. The problem lies not in an unwillingness to adopt, but in being overlooked by the industry.

In 2018 the 50-plus age demographic spent a very substantial $140 billion on technology (compared with $136 billion among the under-50s). Tech demand among the 50-plus population is expected to surge in the coming decades (reaching expenditure of $623 billion in 2050). Not surprisingly this spending has a substantial impact: almost a third of the sector’s GDP, jobs, and wages and salaries are dependent on the 50-plus cohort (a share forecast to increase slightly through to 2050—see Appendix 2, Charts and tables).

Yet tech firms seem largely unaware of this high-performing and fast-growing market. Nowhere are ill-founded societal attitudes about technology more evident than in advertising. One study found that less than 5% of marketing and media images showed an older person using technology, compared with a third portraying younger people.

Although there are indications that tech firms are waking up to this potential—such as the development of virtual reality (VR) headsets for people with Alzheimer’s—the focus has largely been on health and safety. Given the mass market of healthy, active Americans age 50 and older, a rethink of tech firms’ marketing, advertising, and sales approaches is long overdue. The evident lack of targeted marketing efforts reflects an untapped opportunity for tech firms.

Figure 19

The 50-plus age demographic underpins GDP, wages and salaries, and jobs in the tech sector

- GDP stimulated by 50-plus population: $262 billion (Total GDP: $795 billion)
- Wages and salaries generated by 50-plus population: $113 billion (Total wages and salaries: $356 billion)
- Jobs generated by 50-plus population: 850,000 (Total jobs: 2.7 million)

Source: The Economist Intelligence Unit, Bureau of Labor Statistics, Bureau of Economic Analysis, Joint Center for Housing Studies of Harvard University, REMI.

28. Based on EIU calculations.
The 50-plus cohort provided **54% of total spending in the leisure/hospitality sector** in 2018, which is forecast to rise to 58% by 2050. This spending supports over 8 million jobs and over $280 billion of wages and salaries.

4. Leisure and hospitality

The 50-plus cohort’s contribution to the leisure and hospitality sector is uneven but influential. While employment figures for this demographic are low in the industry—in 2018 less than a quarter of the leisure and hospitality workforce was aged 50 and older—consumers age 50 and older are enthusiastic buyers in the sector. This age group provided 54% of total spending in the industry in 2018, which is forecast to rise to 58% by 2050.

According to one survey, Baby Boomers (those born between 1946 and 1964) planned to take 4-5 leisure trips in 2019, spending on average $6,600 over the year. Another study found that 32% of grandparents took their grandchildren on a skip-generation trip, leaving mom and dad at home, and 15% of Baby Boomers were planning to do so in 2019. More than three-quarters of these grandparents reported paying for most of the trip.

As a result, although the labor representation of the 50-plus population in the leisure and hospitality sector may be small, its love of travel is having an outsized impact on jobs: this demographic supports over 40% of the jobs and wages and salaries in this sector. When combined with the expenditure inputs, the data carry a clear message: spending among the 50-plus cohort (worth $1.2 trillion in 2018, and forecast to reach nearly $4 trillion in 2050) is disproportionately supporting leisure and hospitality jobs across the country.

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5. Farming, natural resources, and mining

In the farming, natural resources, and mining sector 45% of the workforce is age 50 and older, compared with an average of 35% across all sectors. The average age of a U.S. farmer is 58 years old.\(^{34}\)

This largely reflects the mechanization of the sector, which has reduced the demand for unskilled, entry-level workers. At the same time, urbanization has drawn young people away from the country’s farming heartlands and toward its cities, leaving an older generation, literally, to “mind the farm.”

It is important to note, however, that a concentration of older workers does not mean that the 50-plus population plays an especially large role in the sector’s performance: its impact amounted to less than a third of the sector’s GDP, and a lesser share with regard to jobs and wages and salaries, in these increasingly capital-intensive sectors.

But the age profile of the sector does have economic security implications. Only 13% of the country’s food and beverages are imported, and the U.S. is in effect self-sufficient in natural gas and moving that way in terms of oil. This self-reliance would not be possible without these large numbers of dedicated workers.

The 50-plus workforce is essential to ensuring food and energy security in the US: 45% of jobs in the farming, natural resources, and mining sector are filled by this cohort.

![Diagram showing the economic impact of the 50-plus population in the farming, natural resources, and mining sector.](image)

**GDP stimulated by 50-plus population**

$142 \text{ billion}

(Total GDP: $438 \text{ billion})

**Wages and salaries generated by 50-plus population**

$72 \text{ billion}

(Total wages and salaries: $223 \text{ billion})

**Jobs generated by 50-plus population**

1.3 million

(Total jobs: 5.1 million)

Source: The Economist Intelligence Unit, Bureau of Labor Statistics, Bureau of Economic Analysis, Joint Center for Housing Studies of Harvard University, REMI.
As an essential and growing contributor to the overall economy, the influence of the 50-plus population needs to be properly understood. For example, the vast number of people age 50 and older who own and run small or family businesses add value through their production and by providing employment to others.

While public perception has been influenced by the high-profile successes of entrepreneurs who made their mark relatively early in life, such cases have somewhat distorted the perceptions of entrepreneurship trends. According to the Kauffman Indicators of Entrepreneurship, 25.8% of new entrepreneurs in 2018 were from the 55-64 age group, up from 14.8% in 1996 and ahead of all other age groups (those in the 45-54 age bracket came second). The study also found that the rate of entrepreneurship—the share of individuals who start a business—among the 55-64 age cohort has been consistently higher than the corresponding rate for 20-34-year-olds every year since the survey began in 1996. Concurrently, entrepreneurs between the ages of 55 and 64 are more likely than any other age group to be “opportunity entrepreneurs,” or those who start a business while already holding a job. This suggests that the main impetus behind the business-creation activity of the 50-plus cohort is personal interest or passion rather than necessity.

Reinforcing these findings, Harvard Business Review research found that the average age of a successful start-up founder is 45 (47 outside the tech sector), while more than half of small business owners are over 50. The research also notes that older entrepreneurs have better access to bank financing.

While there is great variation among the 50-plus cohort, many older people enjoy financial security and can use accumulated wealth as risk capital, while years of experience in a profession can provide a competitive advantage when launching a new product or service. These strengths also make the 50-plus businessperson an appealing partner for younger entrepreneurs—often saddled with high levels of student debt—trying to start a business. For younger generations the advantages of partnering with someone who could potentially inject capital into the business and bring an array of long-standing business connections and real-world experience are compelling.

As Peter Drucker, one of the world’s foremost management consultants, once remarked: “Entrepreneurship is neither a science nor an art. It is a practice.” For the 50-plus population, the extra experience garnered in the workplace and elsewhere means that they are ideally situated to turn this practice into success.
The societal impact of unpaid contributions

The contribution of the 50-plus population to the U.S. economy goes far beyond just GDP, jobs, and wages. Many also spend vast numbers of hours providing vital unpaid activities, defined as volunteering and caregiving for children and adults. Indeed such activities, while not considered part of the economy, have real economic value. When we measure the cost of replacing this labor by paying the market rate for equivalent skills, the 50-plus population contributed unpaid activities worth $745 billion in 2018—80% greater than in 2003—and a figure that would see it ranked in the top ten biggest U.S. state economies.

Caregiving

While the value of these unpaid activities has increased, so has the strain on the 50-plus age demographic. The increase in unpaid caregiving activities (for both children and adults) has been remarkable, with the contribution of the 50-plus population rising by 76% since 2003. A host of factors have contributed to this. In the case of childcare, the high cost of daycare, the rising number of working-parent households and, in more extreme cases, the opioid epidemic, have led grandparents to step in to assist, sometimes taking on parenting responsibilities entirely. The 50-plus age demographic is having to fill the widening gaps in provision left by state and other tax-funded bodies.

In the absence of support, a large number of family caregivers are either being forced to reduce their work hours, or to quit their jobs entirely. A study by AARP found that one in five retirees left the workforce earlier than planned because they had to care for an ill spouse or other family member, and nearly seven in ten caregivers reported making work accommodations, such as cutting back work hours.43

The 50-plus population contributed **unpaid activities worth $745 billion** in 2018, a figure that would rank it among the top 10 biggest U.S. state economies.

**Figure 24**

The 50-plus population provides the bulk of adult caregiving and volunteering

Value of unpaid activities, 2018 ($ billion)

<table>
<thead>
<tr>
<th></th>
<th>Under-50</th>
<th>50-plus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult caregiving</td>
<td>210</td>
<td>114</td>
</tr>
<tr>
<td>Child caregiving</td>
<td>260</td>
<td>344</td>
</tr>
<tr>
<td>Volunteering</td>
<td>140</td>
<td></td>
</tr>
</tbody>
</table>

Caregiving is now more widespread. **It is an issue that impacts everyone at some point in their life.** For example, there are 10 million Millennials caring for a family member who is ill, has a disability, or needs help with daily activities.44

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Volunteering

In addition to extending their working lives, active older adults are continuing to contribute via volunteering. This cohort contributes 55% of the total value (or $140 billion) of volunteering—highlighting the extent to which charitable organizations rely on the time and generosity of their older supporters. The economy also benefits from volunteering among older people in other ways. Notably, such activity is known to provide both mental and physical benefits, such as lower blood pressure.45

Figure 25

The 50-plus population’s caregiving role has soared since 2000
Value generated by unpaid activities, 50-plus ($ billion)

Note: Data may not add to totals because of rounding up.

In addition to their time and effort, total donations from the 50-plus cohort were worth $97 billion in 2018. On an individual basis, meanwhile, the 50-plus population donated $1,400 per person in 2018.

Besides social good, charitable giving by the 50-plus cohort has the added benefit of supporting one of the economy’s biggest employers: non-profit organizations. According to the Center for Civil Society Studies at Johns Hopkins University, around one in ten jobs in the U.S. private sector is accounted for by non-profits. This charitable giving is not only helping to drive employment in the short-term but will also benefit the labor force of the future. In 2018, for example, educational organizations received $4 billion from the 50-plus cohort. Given the long-term struggle to boost U.S. economic productivity, these contributions to the development of a skilled future workforce are invaluable.

Charitable giving peaks among the 55-64 age group

Charitable giving by age group, 2018 ($ billion)

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Charitable Giving</th>
</tr>
</thead>
<tbody>
<tr>
<td>50-54</td>
<td>13</td>
</tr>
<tr>
<td>55-64</td>
<td>34</td>
</tr>
<tr>
<td>65-74</td>
<td>28</td>
</tr>
<tr>
<td>75+</td>
<td>21</td>
</tr>
</tbody>
</table>

Total 50-plus: $97 billion

In 2018 educational organizations received $4 billion in charitable giving from the 50-plus cohort.

Source: The Economist Intelligence Unit, Bureau of Labor Statistics, REMI.

Looking ahead: Connecting the dots of opportunity, markets, and the foundation for the next generation

The impact of the 50-plus population on the economy is difficult to overstate. In 2018 it contributed $8.3 trillion, a figure which is forecast to increase to $26.8 trillion by 2050. It is expected to drive growth in jobs and wages and salaries at a similarly substantial rate. In addition, it provided $745 billion through volunteering, caregiving and contributing charitable donations. Changes in social attitudes, public policy, and the products and services offered by private businesses could supercharge the contribution of the 50-plus population.

In terms of specific industries, the following appear especially promising for market innovation.

**Financial services**
There are considerable opportunities for financial services firms and insurers to update the relevance of their products and services to better meet the needs of the 50-plus cohort as they make the most of a longer life. For example, tailored apps promise clients more personalized control of their finances, while some banks are being encouraged to assist in reducing financial exploitation.48

**Technology**
The widespread misconception is that older people face barriers and challenges when it comes to adopting new technologies. Yet many older Americans are embracing technology in their daily lives and their movement into digital spaces continues to deepen.49 In fact, today 91% of people age 50 and older report using a computer, with 94% of them reporting that technology keeps them connected to friends and family.50 These devices offer an ideal platform for reaching the tech-savvy 50-plus population, and apps are already appearing that indicate a growing market awareness of this age group’s commercial potential. Moreover, older adults’ demand for technology goes beyond smartphones and apps. Their enthusiastic adoption of smart home assistants, strong interest in automobiles with computerized driving assistance, and enrollment in computer-based distance education suggests that business leaders in technology would do well to pay them greater attention.

**Caregiving**
Today’s family caregivers are diverse and come from every age, gender and background. Nearly one in four (24%) is a Millennial, 40% are men, and about 40% represent multicultural communities.51 Research has shown that in 2017 about 41 million family caregivers in the U.S. provided an estimated 34 billion hours of care to an adult with limitations in daily activities.52 Most family caregivers (60%) are juggling paid work and caregiving, and trends suggest that with the aging of the Baby Boomers, an increasing share of family caregivers will be in the labor force of the future.53 In the absence of support from their employers, many of them will have to shift from full-time work to part-time work, take either scheduled or unscheduled time off, or even leave jobs to fulfill their caregiving responsibilities. In order to help family caregivers balance work and care, both public and private sectors need to invest in innovative solutions.

Changes in social attitudes, public policy, and the products and services offered by private businesses could supercharge the contribution of the 50-plus population.

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50. Ibid.
to recognize and support them as they care for their parents, spouses, children and other loved ones.

Critical benefits such as flexible workplace options, back-up care options, employee assistance programs and new digital tools can help employees manage their care tasks. Employers stand to benefit from providing such support because they can reduce turnover and absenteeism, increase productivity, and facilitate the recruitment and retention of high-performing employees.

**Real estate and construction**

Research shows that most older adults want to stay in their homes and communities as they age. As such local decision makers and developers should prioritize the enhancement of existing neighborhoods to better tailor them for their older community members. This includes providing more age-friendly housing with universal design features, such as no-step entryways, wider doors and hallways, showers with benches, kitchens with cabinets at different heights to accommodate people with limited mobility, or improved roadways for pedestrians. The availability of accessible and affordable housing, along with other housing types, must increase to meet the various needs of people at all ages and life stages.

**Leisure**

With greater longevity, more free time, and better health than ever, there are big opportunities in the leisure sector where activities geared toward tastes of the 50-plus population can find a growing market. This could include dedicated establishments but might also involve opening multigenerational facilities such as cinemas and leisure centers. Providing tour packages tailored to the needs and interests of the 50-plus market also offers considerable promise: by 2050 it is projected that more than two billion leisure trips will be taken by those age 60 and older each year.

**Education**

With people living longer, more adults are turning to continued education for both personal enrichment and to learn new skills. One study found that nearly three in five working retirees (those who self-identified as both “retired” and “working”) saw retirement as an opportunity to re-skill and enter a new line of work. Providing programs tailored to their interests and needs is a promising opportunity for both the public and private sectors, while updating the skillsets of the 50-plus cohort will give them added credibility in a competitive workplace.

---

In 2018, the economic contribution from the 50-plus population was worth $8.3 trillion (which, if it were a country, would place it only behind the U.S. and China).

These “industries of opportunity” are just the beginning. Realizing the potential of the growing 50-plus market, as all generations make the most of a longer life, is vital for both business growth and competitiveness. Maximizing the opportunity will require a fundamental re-evaluation of businesses’, policymakers’ and other leaders’ perceptions and market strategies. Among other things, they need to:

- **Seize the opportunity.** The population is aging, living longer and in many cases enjoying healthier lives. The 50-plus population now represents four generations, and Millennials and Generation Z will join this pipeline when they turn 50 in 2031 and 2047 respectively. As a result, the economic contributions of the 50-plus population will more than triple to almost $27 trillion by 2050.

- **Leverage the growing contributions and co-create solutions to better society.** The growing 50-plus population serves as a critical source of income, fueling more than $5.7 trillion in wages and salaries across the U.S., which will grow to $17.7 trillion in 2050. The 50-plus population also generated $2.1 trillion in federal, state and local taxes in 2018, and made $98 billion-worth of donations to charitable organizations.

- **Tailor marketing and develop products and services that account for the diverse needs and preferences of the 50-plus population as it makes the most of a longer, healthier life.** There are significant business opportunities to leverage the 50-plus population as consumers, especially in marketing and tech. As all generations navigate making the most of a longer life, new products and services are required. Market innovation is essential.

- **Embrace a multigenerational workforce.** An age diverse workforce provides insights that can inform market innovations that better align with consumers at-large. Building an inclusive multigenerational workforce yields a stronger pipeline of talent, protects business continuity and taps into new resources to address labor shortages. Healthcare, education, and natural resources, mining and farming are among the many industries that will be increasingly reliant on the 50-plus labor force in the coming years.

- **The 50-plus age group is giving back to communities across the country as caregivers and volunteers.** Caregiving is now more widespread. Businesses and government should recognize and support caregivers of all ages.
Appendix 1: Note on the methodology

After consultation with experts and AARP, The Economist Intelligence Unit undertook this outlook using a dynamic model of the U.S. economy incorporating computable general equilibrium components and forecasting capabilities from Regional Economic Models Inc. (REMI). The Economist Intelligence Unit used a series of input elements, which took into account preferences by population segments for, among other things, consumption and labor supply. Once inputted, these effects created demand for industries, increasing output and generating jobs.

To fully incorporate the impact of economic activities of the 50-plus population on federal government spending, the Economist Intelligence Unit collected data on tax receipts from various government sources (including the Congressional Budget Office and the Internal Revenue Service), and calculated an effective tax rate for each of the seven types of federal taxes. These were applied to scale up federal government spending to fully capture the federal tax revenue generated by the economic activities of the 50-plus cohort.
## Industries breakdown

<table>
<thead>
<tr>
<th>Farming, natural resources &amp; mining</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forestry and Logging; Fishing, hunting and trapping</td>
<td>Publishing industries, except Internet Broadcasting, except Internet Motion picture and sound recording industries</td>
</tr>
<tr>
<td>Support activities for agriculture and forestry</td>
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</tr>
<tr>
<td>Oil and gas extraction</td>
<td></td>
</tr>
<tr>
<td>Mining (except oil and gas)</td>
<td></td>
</tr>
<tr>
<td>Support activities for mining</td>
<td></td>
</tr>
<tr>
<td>Farm</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Construction</th>
<th>Technology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>Computer and electronic product manufacturing</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Manufacturing</th>
<th>Finance, insurance &amp; real estate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wood product manufacturing</td>
<td>Monetary authorities - central bank; Credit intermediation and related activities</td>
</tr>
<tr>
<td>Nonmetallic mineral product manufacturing</td>
<td>Securities, commodity contracts, other investments; Funds, trusts, other financial vehicles</td>
</tr>
<tr>
<td>Primary metal manufacturing</td>
<td>Insurance carriers and related activities</td>
</tr>
<tr>
<td>Fabricated metal product manufacturing</td>
<td>Real estate</td>
</tr>
<tr>
<td>Machinery manufacturing</td>
<td>Rental and leasing services; Lessors of nonfinancial intangible assets</td>
</tr>
<tr>
<td>Electrical equipment, appliance, and component manufacturing</td>
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<tr>
<td>Other transportation equipment manufacturing</td>
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<tr>
<td>Furniture and related product manufacturing</td>
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<tr>
<td>Miscellaneous manufacturing</td>
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<tr>
<td>Food manufacturing</td>
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<tr>
<td>Beverage and tobacco product manufacturing</td>
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<tr>
<td>Textile mills; Textile product mills</td>
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<tr>
<td>Apparel manufacturing; Leather and allied product manufacturing</td>
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<tr>
<td>Paper manufacturing</td>
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<tr>
<td>Printing and related support activities</td>
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<td>Petroleum and coal products manufacturing</td>
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<tr>
<td>Chemical manufacturing</td>
<td></td>
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<tr>
<td>Plastics and rubber products manufacturing</td>
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<table>
<thead>
<tr>
<th>Automotive manufacturing</th>
<th>Professional &amp; business services</th>
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</thead>
<tbody>
<tr>
<td>Motor vehicles, bodies and trailers, and parts manufacturing</td>
<td>Professional, scientific, and technical services</td>
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<table>
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<tr>
<th>Utilities</th>
<th>Education services</th>
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<tbody>
<tr>
<td>Utilities</td>
<td>Educational services; private</td>
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<table>
<thead>
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<td>Rail transportation</td>
<td>Hospitals; private</td>
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<tr>
<td>Water transportation</td>
<td>Nursing and residential care facilities</td>
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<tr>
<td>Truck transportation</td>
<td>Social assistance</td>
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<tr>
<td>Couriers and messengers</td>
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<tr>
<td>Transit and ground passenger transportation</td>
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<td>Pipeline transportation</td>
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<tr>
<td>Warehousing and storage</td>
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<table>
<thead>
<tr>
<th>Wholesale &amp; retail trade</th>
<th>Leisure &amp; hospitality</th>
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<td>Accommodation</td>
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<td>Retail trade</td>
<td>Food services and drinking places</td>
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<table>
<thead>
<tr>
<th>Other services</th>
<th>Government</th>
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<tbody>
<tr>
<td>Private households</td>
<td>State and Local Government</td>
</tr>
<tr>
<td>Personal and laundry services</td>
<td>Federal Civilian</td>
</tr>
<tr>
<td>Repair and maintenance</td>
<td>Federal Military</td>
</tr>
<tr>
<td>Religious, grantmaking, civic, professional, and similar organizations</td>
<td></td>
</tr>
</tbody>
</table>
Appendix 2: Charts and tables

Figure 1

The 50-plus population generates economic activity: impact by industry, 2018

<table>
<thead>
<tr>
<th>Industry</th>
<th>GDP</th>
<th>Wages and salaries</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural resources, mining &amp; farming</td>
<td>33%</td>
<td>32%</td>
<td>26%</td>
</tr>
<tr>
<td>Construction</td>
<td>58%</td>
<td>63%</td>
<td>59%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>31%</td>
<td>33%</td>
<td>32%</td>
</tr>
<tr>
<td>Automotive manufacturing</td>
<td>23%</td>
<td>24%</td>
<td>23%</td>
</tr>
<tr>
<td>Utilities</td>
<td>43%</td>
<td>45%</td>
<td>43%</td>
</tr>
<tr>
<td>Transportation</td>
<td>37%</td>
<td>40%</td>
<td>40%</td>
</tr>
<tr>
<td>Wholesale &amp; retail trade</td>
<td>41%</td>
<td>44%</td>
<td>44%</td>
</tr>
<tr>
<td>Information</td>
<td>25%</td>
<td>29%</td>
<td>25%</td>
</tr>
<tr>
<td>Technology</td>
<td>33%</td>
<td>32%</td>
<td>31%</td>
</tr>
<tr>
<td>Finance, insurance &amp; real estate</td>
<td>48%</td>
<td>50%</td>
<td>48%</td>
</tr>
<tr>
<td>Professional &amp; business services</td>
<td>34%</td>
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<tr>
<td>Education services</td>
<td>40%</td>
<td>42%</td>
<td>40%</td>
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<tr>
<td>Health services</td>
<td>55%</td>
<td>58%</td>
<td>55%</td>
</tr>
<tr>
<td>Leisure &amp; hospitality</td>
<td>42%</td>
<td>43%</td>
<td>41%</td>
</tr>
<tr>
<td>Other services</td>
<td>51%</td>
<td>54%</td>
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</tr>
<tr>
<td>Government</td>
<td>37%</td>
<td>39%</td>
<td>37%</td>
</tr>
</tbody>
</table>

Note: Other services include professional services, personal care and clothing services, social services and religious activities, postal and delivery services. Other durable goods include jewelry and watches, luggage, and similar personal items. Education services include spending on education across all members living in the same household (consumption expenditures are recorded at the household level).
Market economy driven by the 50-plus population: farming, natural resources, and mining (% of total)

Figure 2

Market economy driven by the 50-plus population: technology (% of total)

Figure 3

Market economy driven by the 50-plus population: finance, insurance, and real estate (% of total)

Figure 4

Market economy driven by the 50-plus population: health services (% of total)

Figure 5
Market economy driven by the 50-plus population: leisure and hospitality (% of total)

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP</th>
<th>Wages and salaries</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>42%</td>
<td>43%</td>
<td>41%</td>
</tr>
<tr>
<td>2030</td>
<td>43%</td>
<td>44%</td>
<td>42%</td>
</tr>
<tr>
<td>2040</td>
<td>44%</td>
<td>45%</td>
<td>42%</td>
</tr>
<tr>
<td>2050</td>
<td>45%</td>
<td>46%</td>
<td>43%</td>
</tr>
</tbody>
</table>

Market economy driven by the 50-plus population: tax impact
Total U.S. taxes supported by longevity economy ($ trillion)

<table>
<thead>
<tr>
<th>Year</th>
<th>Taxes (state+local)</th>
<th>Taxes (federal)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>0.4</td>
<td>1.4</td>
</tr>
<tr>
<td>2030</td>
<td>1.1</td>
<td>2.5</td>
</tr>
<tr>
<td>2040</td>
<td>1.6</td>
<td>3.7</td>
</tr>
<tr>
<td>2050</td>
<td>2.4</td>
<td>5.5</td>
</tr>
</tbody>
</table>