

and a second measure, closer to the standard measure, the number of employed retirees plus the number of unemployed retirees who were looking for work at the time of the survey as a proportion of all retirees (L_2). The former statistic has the advantage of covering the same time period as the income statistics used in this analysis. The broader time period also makes it less sensitive to the transitory fluctuations in labor force behavior than the usual labor force measure, which applies to a particular week.

Table 1 summarizes the labor force behavior of retirees based on work experience in 1965, and participation in June 1966. Labor force behavior rates are presented for retirees classified into six level-of-school completed groups and four age groups. Because of the relatively small number of nonwhites in the sample, the analysis concentrates on white retirees. When measured by work experience, in 1965, the labor force behavior rates reveal no statistically significant difference at the 5-percent level between the rates for whites and nonwhites.⁷ Labor force participation rates in June 1966 show a statistically significantly higher participation rate for nonwhites.

There are significant differences at the 5-percent level in both participation rates between the different age groups. They are generally lower for older retirees. For retirees in each age group with less than 16 years of school completed, participation rates frequently increase with the level of school completed. This relationship is much stronger for older retirees than for younger retirees. The pattern of participation rates for retirees with 16 or more years of school completed differs from that of those with less than 16 years of school completed.⁸ Their participation rates are significantly lower than those with less than 16 years of school completed for the youngest age group and significantly higher in the oldest age group.

TABLE 1.—ESTIMATES OF LABOR FORCE BEHAVIOR OF WHITE MILITARY RETIREES BY AGE AND LEVEL OF SCHOOL COMPLETED

Level of school completed	Age							
	35 to 44		45 to 54		55 to 64		65 plus	
	L ₁ ^a	L ₂ ^a	L ₁ ^a	L ₂ ^a	L ₁ ^a	L ₂ ^a	L ₁ ^a	L ₂ ^a
Less than 8 yr.....	0.966	0.984	0.919	0.950	0.736	0.741	0.307	0.244
9 to 11 yr.....	.976	.983	.944	.967	.722	.780	.338	.277
12 yr.....	.982	.989	.957	.972	.810	.826	.377	.348
13 to 15 yr.....	.982	.981	.965	.971	.815	.828	.386	.364
16 yr.....	.915	.964	.943	.952	.759	.763	.362	.339
17 yr. or more.....	.945	.965	.961	.963	.841	.821	.511	.452
Less than 16 yr.....	.980	.984	.954	.968	.782	.793	.343	.317
16 yr. or more.....	.925	.964	.952	.957	.807	.797	.439	.397
Total.....	.976	.984	.954	.968	.787	.793	.367	.317

^a L₁ equals the proportion of retirees who worked or looked for work at least 1 week in 1965. L₂ equals the proportion of retirees who were employed or seeking employment at the time of the survey, June 1966.

Source: App. A.

⁷ App. A contains detailed tabulations for both of the labor force participation rate measures by level of school completed, age, and race.

⁸ Since most of the population with 16 years or more of school completed are retired officers rather than retired enlisted men, the average age at retirement will be higher and the number of years since retirement will be smaller for this educational group. The importance of this difference would be most significant for the youngest age group.