New York

State Outlook

As New York's population ages, older residents will play a critical role in the state's economic recovery and growth. Even after accounting for the impact of COVID-19, New York's aging population will continue to make economic and social contributions that benefit people of all ages, and the growth of this age group will fuel innovation and new market solutions. Policymakers, business leaders, and elected officials must ensure programs and policies are in place to support and grow this economic engine.

Key findings:

New York's 50-plus population creates outsized economic impact and will drive economic growth for the next 30 years. In 2018, the 50-plus population accounted for 36% of New York's population, yet contributed 43%—or \$719 billion—of the state's total GDP. Their activities also supported 5.9 million jobs and generated \$482 billion in wages and salaries. Their contribution to GDP is forecast to reach \$2.2 trillion in 2050—over 45% of the state's projected GDP—when people 50-plus will account for 41% of the population.

The purchasing power of New York's 50-plus population will generate tax revenue for decades to come. In 2018, the market activities of people 50-plus supported \$72 billion in state and local taxes (39% of New York's total). That figure will more than triple to \$255 billion by 2050.

Where do people age 50-plus live?

(%) share by county in 2018

Overview: Economic impact of the 50-plus population

	2018		2050	
	Impact	% of total	Impact	% of total
State GDP	\$719 billion	43	\$2,210 billion	45
Jobs	5.9 million	47	6.6 million	47
Wages and salaries	\$482 billion	48	\$1,461 billion	50
State and local taxes	\$72 billion	39	\$255 billion	43

"% of total" refers to 50-plus impact as a percentage of each category.

The 50-plus cohort will grow from 36% to 41% of the population by 2050

(Millions)

The 50-plus population fuels economic growth, stimulates jobs, and creates opportunities

Economic impact of the 50-plus through 2050

GDP (\$ billion)

Wages and salaries (\$ billion)

State and local taxes (\$ billion)

Jobs (million)

New York

As a major source of New York's consumer spending, 50-plus households will drive economic growth across sectors

Unpaid contributions

Beyond their economic contributions, the 50-plus cohort also spends time engaging in vital activities like volunteering and caregiving for children and adults. The 50-plus population in New York contributed \$11 billion in volunteering activities and \$41 billion in unpaid caregiving in 2018, with the average person spending 67 hours on volunteering and over 400 hours on caregiving over the entire year.

The 50-plus population provides \$52 billion in unpaid contributions

Value of unpaid activities, 2018 (\$ billion)
(Values may not sum due to rounding)

■ Under-50 ■ 50-plus

50-plus households accounted for 56 cents of every dollar spent in New York in 2018—this will grow to 61 cents (61%) by 2050

The market activities of New York's 50-plus population create jobs, wages, and salaries

In 2030, the 50-plus population's activities will support 6 million jobs in New York, driving employment growth across all age groups and industries. Most of these jobs will be created in health services; finance, insurance, and real estate; professional and business services; and wholesale and retail trade (see chart on right).

Labor force: People age 50-plus will continue to play a significant role as part of New York's workforce: by 2030, 50-plus workers in the state are projected to number 3.3 million, representing 33% of the state's total labor force.

Which sectors will see biggest jobs impact in 2030?

Number of jobs supported by 50-plus activities and % of sector

Methodology: This state profile details the contribution of the 50-plus population, both in-state and through interstate commerce, to New York's economy. The overall impact includes the direct effects of their spending, work contributions, and taxes paid. It also includes the ripple effects this generates—via business supply chains and through the wages and spending of other workers. All forecasts account for the effects of COVID-19 on U.S. demographic and economic projections. These forecasts were informed by data from the Centers for Disease Control and Prevention, the Bureau of Economic Analysis, Bureau of Labor Statistics, and The Economist Intelligence Unit's macroeconomic forecasts. For further details see: <http://www.aarp.org/longevity>.

Sources: Economic impact and forecasts (EIU, Regional Economic Models, Inc. (REMI)); Population by age (REMI, U.S. Census Bureau); 50-plus population share by county (U.S. Census Bureau 2018); Spending (EIU, Bureau of Labor Statistics, Bureau of Economic Analysis, REMI); Jobs impact by sector (EIU, REMI); Unpaid contributions (EIU, American Time Use Survey, AARP's Valuing the Invaluable: 2019 Update, Bureau of Labor Statistics).

For more information about the Longevity Economy download our free report. It offers as a roadmap for companies to tap into this growing market.

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