



# A Generation in Transition:

A Survey of Bay State Baby Boomers

EXECUTIVE SUMMARY

**MassINC**  
RESEARCH. JOURNALISM. CIVIC LIFE.  
**10 YEARS**

**PSR**  
Princeton Survey  
Research Associates  
International

SPONSORED BY:



MassINC wishes to express its thanks to those individuals and organizations whose financial support makes our work possible. Your generosity is deeply appreciated.

### **MassINC's Mission**

The mission of MassINC is to develop a public agenda for Massachusetts that promotes the growth and vitality of the middle class. We envision a growing, dynamic middle class as the cornerstone of a new commonwealth in which every citizen can live the American Dream. Our governing philosophy is rooted in the ideals embodied by the American Dream: equality of opportunity, personal responsibility, and a strong commonwealth.

MassINC is a non-partisan, evidence-based organization. We reject rigid ideologies that are out of touch with the times and we deplore the too-common practice of partisanship for its own sake. We follow the facts wherever they lead us. The complex challenges of a new century require a new approach that transcends the traditional political boundaries.

MassINC is a different kind of organization, combining the intellectual rigor of a think tank with the vigorous civic activism of an advocacy campaign. Our work is organized within four initiatives that use research, journalism, and public education to address the most important forces shaping the lives of middle-class citizens:

- Economic Prosperity—Expanding economic growth and opportunity
- Lifelong Learning—Building a ladder of opportunity through the continuum of learning
- Safe Neighborhoods—Creating crime-free communities for all
- Civic Renewal—Restoring a sense of “commonwealth”

MassINC's work is published for educational purposes. Views expressed in the Institute's publications are those of the authors and not necessarily those of MassINC's directors, staff, sponsors, or other advisors. The work should not be construed as an attempt to influence any election or legislative action.

MassINC is a 501(c) 3, tax-exempt, charitable organization that accepts contributions from individuals, corporations, other organizations, and foundations.

### **About MassINC's Economic Prosperity Initiative**

Through the Economic Prosperity initiative, MassINC works to improve the overall economic well being of Massachusetts citizens by pursuing answers to a range of economic questions. Among them: How hard are people working and for what kinds of rewards? How secure are their futures? How healthy are our families? What are the strengths and limitations of state government in promoting economic activity? What is the role of the private sector? And, what are the keys to our future economic success?

MassINC has a long history of work within this initiative. Past research projects include: *The Massachusetts Non-Profit Sector* (2005), *Mass. Commuting* (2004), *The Graying of Massachusetts* (2004), *Mass. Migration* (2003), *The State of the American Dream in Massachusetts, 2002* (2002), *The Changing Workforce: Immigrants and the New Economy in Massachusetts* (1999), *The Road Ahead: Emerging Threats to Workers, Families, and the Massachusetts Economy* (1998), and *Lessons Learned: 25 Years of State Economic Policy* (1998). Recent articles in *Common Wealth* magazine include: “Offshore Leave” (Summer 2004), “Blue Collar Blues” (Spring 2004), “Job (Dis)Qualifications” (Fall 2003), “Mass. Production” (Summer 2003), “The Sprawl Doctor” (Spring 2003), “Life After Lucent: A Region Tries to Adjust” (Winter 2002), and “Heritage Road, Five Years Later: The American Dream, Still Elusive in Suburbia” (Spring 2001).

All of MassINC's research and *Common Wealth* articles are available free-of-charge through our Web site, [www.massinc.org](http://www.massinc.org).

# A Generation in Transition:

A Survey of Bay State Baby Boomers

Larry Hugick  
Dawn Crossland Sumners  
Stacy DiAngelo  
Dana Ansel  
Greg Leiserson

NOVEMBER 2005

**MassINC**  
RESEARCH. JOURNALISM. CIVIC LIFE.  
**10 YEARS**

**PSR**  
Princeton Survey  
Research Associates  
International

SPONSORED BY:



November 2005

Dear Friend:

MassINC is proud to present *A Generation in Transition: A Survey of Bay State Baby Boomers*, a groundbreaking report produced in partnership with Princeton Survey Research Associates Intl. and made possible by the generous support of Blue Cross Blue Shield of Massachusetts. This survey represents the first of its kind for our state.

Historically, baby boomers have rewritten the rules of society at every stage of the life cycle, and they are poised to do so again. In 2006, the oldest boomers will turn 60, approaching their retirement years. Boomers appear ready to redefine retirement by delaying their retirement past the current norm and to work at least part-time even after they retire. They will reverse a trend of many decades toward earlier and earlier retirement. The change in their views on retirement seems to be rippling through the generation, with younger boomers expecting to retire later and to work after retiring in greater numbers. For at least 39 percent, the expectation that they will work is not a choice but a financial necessity. This challenges the stereotype of endless boomer optimism.

As boomers age, they also face a number of decisions about where to live. If their future unfolds as they expect, Massachusetts stands to lose a lot of boomers to other states. More than one-third of boomers (35%) say they want to leave the state for their retirement years. This translates roughly to 650,000 people, or 10 percent of the state's population. While some degree of retirement migration is to be expected, the sheer size of this generation makes their exodus worrisome.

In thinking about what can be done, some factors—notably, the weather—are beyond any policymaker's control. But the state's civic, political, and business leaders should think about ways to make the Bay State more retiree-friendly, so that Massachusetts boomers do not feel compelled to leave. Making Massachusetts more affordable must be part of the strategy to keep boomers.

For MassINC, this has been an exciting project, building on many important themes from previous work. In 2004, our research report *The Graying of Massachusetts* answered many questions about how the rules of retirement have changed but also left us wondering what boomers were planning to do in response to the new economics of retirement. This study answers those questions. In addition, in *Mass.Migration* (2003), we found that the state was struggling with a substantial outflow of younger residents. This research suggests that there may soon be a new and growing group of older out-migrants adding to that challenge.

We are grateful to Larry Hugick, Dawn Crossland Sumners, Stacy DiAngelo and their colleagues at PSRAI. The survey's quality is a source of pride for us. In addition, their commitment to this project and their attention to detail have led to the quality of the final product. We would also like to thank the many reviewers whose critical insights have strengthened this report. Lastly, we owe special thanks to Dana Ansel, MassINC's Research Director, for her excellent work in conceptualizing this important research and shepherding it to such a successful conclusion. Finally, we would like to thank our sponsors at Blue Cross Blue Shield of Massachusetts, who have been generous and enthusiastic partners.

We hope you find *A Generation in Transition* a timely and provocative resource. As always, we welcome your feedback and invite you to become more involved in MassINC.

Sincerely,



Ian Bowles  
President & CEO



Gloria Cordes Larson  
Co-Chair



Peter Meade  
Co-Chair

# A Generation in Transition:

A Survey of Bay State Baby Boomers

## TABLE OF CONTENTS

EXECUTIVE SUMMARY .....	5
Key Findings .....	6



## EXECUTIVE SUMMARY

The choices made by the 1.83 million Massachusetts baby boomers over the next 10 to 20 years will have a profound impact on the economic, civic, and political fabric of the state.

With the oldest boomers to turn 60 in 2006, baby boomers are a generation in transition. At a personal level, they are in the midst of caring for their children and for their parents, with some doing both at the same time. They are also thinking about their future. The decisions they make about when to retire and what work, if any, to do after retirement will have important implications for the state's labor force. Their civic priorities for their golden years could be critical to local communities. Finally, their choices about where to live and in what kind of housing could dramatically constrain the state's housing market for the rest of the population—or open it up.

Historically, baby boomers have rewritten the rules of society at every stage of the life cycle, and they are poised to do so again in the near future. As they approach retirement, how will they change notions of aging? Given the sheer size of this generation—approximately 30 percent of the population in Massachusetts—their decisions could have an unprecedented economic impact on the state even if they follow the path of their elders. So, in this unique survey, we have asked them about their current circumstances and about their plans for the future. This poll of 1,000 baby boomers in Massachusetts probes their views about work, retirement, housing, health, caring for family members, and civic involvement.<sup>1</sup>

Above all, boomers appear poised to redefine retirement. The average retirement age has been stable since the mid-1980s, after declining throughout most of the 20th century. In Massachusetts, it is 64 for men and 62 for women. Bay State

boomers expect to reverse the trend toward earlier withdrawal from the labor force, by delaying their retirement and continuing to work at least part-time even after they retire. Nearly half (49%) say they plan to retire at or after 65 or that they never plan to retire, and two-thirds (65%) expect to work during their golden years. Moreover, the change in the views of retirement seems to be rippling through the generation, with younger boomers expecting to retire later and planning to work after retiring in greater numbers.

Boomers' views about their retirement years are shaped by their finances today, which are not as strong as is often believed. Excluding the equity in their homes, nearly one-third (30%) have

## BOOMERS APPEAR POISED TO REDEFINE RETIREMENT

saved less than \$50,000 for retirement, including 13 percent who have no retirement savings at all. While finances are not the sole factor in the changing definition of retirement, they are a key consideration. Among those boomers who are planning to work after they retire, at least 39 percent expect to work out of financial necessity, not by choice.

As they age, boomers face a number of decisions about where to live. As a group, they want to retire in an affordable place that is not too crowded or stressful, and is close to their family and friends. If their future unfolds as they anticipate, the prospects for Massachusetts are grim: More than one-third of boomers (35%) want to leave the state. This translates roughly to 650,000 people, or 10 percent of the state's population. In a state with negligible population and labor force

growth, departure on this scale will undoubtedly impact the economy, even if it is spread over a long period of time. And, the exodus could get worse. Those who have given the most thought today about where to live in retirement are more likely to want to retire outside the state than those who have not considered the matter. Thus, as more boomers focus on the issue, the number leaving the state could grow.

### The Current State of Baby Boomers

Baby boomers are a generation at midlife. For the most part, they have achieved stable suburban middle class lifestyles with strong roots; 84 percent have lived in the Bay State for 20 years or more. In the majority, they are married or living with a partner (69%), have children (66%), are working (79%), are homeowners (78%), and they have lived at their current address for more than 10 years (51%).

Baby boomers are a highly educated group. In Massachusetts, 40 percent have at least a college degree, compared with 36 percent of all other peo-

ple over the age of 25. In addition, 47 percent of boomers work in the knowledge economy, while 44 percent of other workers do. In 2004, the average individual earnings of employed boomers were \$58,225, compared with an average earnings of \$38,448 for other workers.<sup>2</sup>

Bay State boomers are generally pleased with their current state of affairs. Overall, 74 percent say they are satisfied with the way things are going for them and their families. But, there are pockets of dissatisfaction, which are greatest among those with low incomes, the unemployed, renters, and single parents of children under 18.<sup>3</sup>

Boomers are actively engaged in the workforce, accounting for about 45 percent of the state's labor force. Nearly eight in 10 (79%) boomers work outside the home for pay, and two-income families are common. Even as they approach traditional retirement ages, Massachusetts baby boomers do not appear to show signs of slowing down. Over half of the oldest boomers (age 55-58) still work at least 35 hours per week.

### Key Findings:

- Nearly half of all Bay State baby boomers (49%) expect to retire later than age 65, including 11% who say they never plan to retire. About two-thirds of boomers (65%) expect to work after they retire.
- Younger boomers expect to delay retirement longer than older boomers and are more likely to work in retirement. Among those age 40-44, 57% expect to retire after 65 or not at all, compared with only 39% of those age 55-58. 72% of boomers age 40-44 expect to work post-retirement, while only 54% of those age 55-58 do.
- At least 39% of those who plan to work after they retire will work out of financial necessity.
- Only 17% of boomers expect to live very comfortably during retirement. In contrast, 44% expect to have only enough money to cover basic living expenses or not even enough to do that.
- Nearly one-third of boomers (30%) have saved less than \$50,000 for retirement, including 13% who have no retirement savings.
- 84% of boomers have lived in the Bay State for 20 years or more.
- More than one-third of boomers (35%) —roughly 10% of the state's population—want to retire outside of Massachusetts. Those who want to leave are: more likely to describe their finances as fair or poor; equally likely to have a college degree but less likely to have a graduate or professional degree; and more likely to be a person of color.
- The top three priorities for deciding where to live during retirement are: 1) to live somewhere with low taxes or that is affordable; 2) to live close to family and close friends; and 3) to live somewhere that is not too crowded or stressful.



Because the generation includes such a wide span of ages—from 40 to 58—the life circumstances of boomers vary. Boomers in their early 40s are much more likely to have young children, while many of the oldest boomers (age 55-58) are empty-nesters. In addition, many older boomers are also experiencing another kind of transition—the loss of their own parents. As younger boomers are thinking about caring for their aging parents, older boomers are thinking about their own health.

There are, however, concerns they hold in common. Both younger and older boomers have given a lot of thought to how they are going to finance their retirement. When asked to name their single biggest concern, issues having to do with finances were the most common responses.

### The Financial State of Baby Boomers

Bread and butter issues, such as financial security, the cost of living, the economy, and taxes, are the biggest concerns for boomers. More than one-

**ES TABLE 1: Future Concerns Given A Lot of Thought by Boomers**

HOW MUCH THOUGHT HAVE YOU GIVEN TO...?	PERCENT SAYING "A LOT"		
	ALL	AGE 40-49	AGE 50-58
Financing retirement	56	56	58
Personal health of self and spouse/partner	54	49	59
Personal care for aging parents or other relatives	36	40	32
Where will spend retirement years	30	24	38
Financial support for family members	28	30	27
Whether will work during retirement	24	21	26
Future community involvement/Volunteer activities	22	24	20

third of Massachusetts boomers (36%) rank their personal finances as either fair or poor, while only 26 percent rank them as either excellent or very good. Their financial worries are taking a toll. Close to half (44%) say they have felt a lot of stress because of financial problems. It takes a household income of \$100,000 or more—nearly twice the state’s median income—to bring financial peace of mind. Boomers with an income of at least \$100,000 consistently report positive financial circumstances and relatively few financial problems.

- More than one-third of boomers (36%) currently rank their personal finances as fair or poor. Those who feel especially vulnerable financially include: boomers with incomes under \$40,000; renters; those who live in the city of Boston; people of color; and single parents.
- It takes a household income of at least \$100,000—nearly twice the state’s median—to bring financial peace of mind. Boomers with an income of \$100,000 or more report relatively few financial problems.
- One-quarter of boomers (25%) say they have taken on more debt than they can handle; 16% say they have been unable to keep up with loan payments; and 15% have maxed out their credit cards.
- Boomers age 40-44 are more than twice as likely as those age 55-58 to have maxed out their credit cards (23% vs. 9%).
- The vast majority of boomer parents (81%) currently have children who are dependent on them. Over the next 10 to 20 years, more than half of all parents (52%) think it likely they will still be supporting their children. Nearly half with adult children (48%) still provide them with some financial support.
- Of boomers who have at least one living parent, 32% have a parent who is dependent on them, either financially or for personal care. In the future, 59% of those with living parents expect to help care for them.
- Today, 11% of all boomers are caring for both their children and their parents. In the future, 17% expect to care for two generations at the same time.
- Nearly 70% of boomers are either very or somewhat worried about having access to affordable, quality health care in their retirement years, even though nearly all boomers (95%) currently have health insurance.
- 88% say the fact that Medicare coverage is not available until age 65 is a very or somewhat important consideration in deciding when to retire.
- 60% of boomers say they have volunteered during the last 12 months, and 71% say they plan to volunteer during their retirement years.

Many of the youngest boomers have the cost of their children's college education hanging over their heads. When asked to name their single biggest concern, one in four (25%) of the youngest boomers (age 40-44) say education costs, compared with only 2 percent of the oldest boomers (age 55-58). Overall, two-thirds of boomers have children, and as we shall see, the vast majority of parents still have some financial responsibility for their children, including their adult children. In addition, the majority of parents anticipate continuing to help them financially over the next 10 to 20 years.

### *Financial Stresses*

Boomers have experienced a range of financial strains in the last five years. One-quarter of the boomers admit to taking on more debt than they can handle. This translates into one-third having

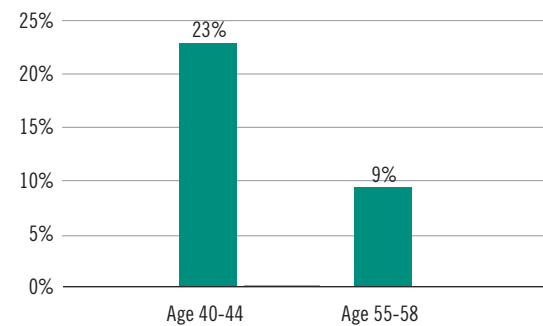
## IT TAKES AN INCOME OF \$100,000 TO BRING FINANCIAL PEACE OF MIND

a debt of \$10,000 or more. In addition, a sizeable number (37%) have postponed a major purchase such as buying a house or taking a vacation because of financial concerns. About one in six (16%) say they have been unable to keep up with loan payments, such as student loans, and 15 percent have maxed out their credit cards.

Younger boomers (age 40-44) are waving a couple of financial red flags, suggesting that more financial troubles lie ahead. Easier access to credit in recent years appears to have impacted younger boomers, who are more likely to be living on borrowed money. Boomers in their early 40s are more than twice as likely as those in their late 50s to have maxed out their credit cards (23% vs. 9%).

These financial strains notwithstanding, the

**ES FIGURE 1: Financial Stress: Boomers who Have Maxed Out Their Credit Cards**



majority of baby boomers (54%) say they are financially better off than their parents were at their age. Moreover, Massachusetts boomers are in better financial shape than their national peers. In a 2000 survey, 46 percent of boomers nationally said they had taken on more debt than they can handle, compared with 25 percent of Massachusetts boomers today. National boomers were also more likely to have been unable to keep up with a loan payment or have maxed out their credit cards.<sup>4</sup> Despite these relative advantages, Bay State boomers, living in a high-cost state, are still concerned about the state of their finances.

### *The Financially Vulnerable*

Some groups of boomers are living closer to the financial edge. They include: boomers with incomes under \$40,000, boomers of color, renters, those who live in the city of Boston, and single parents. All rough financial roads lead back to boomers with incomes under \$40,000. More than three-quarters (77%) describe their finances as fair or poor. Close to half of those with incomes under \$40,000 (45%) have taken on more debt than they could handle. In contrast, only 10 percent of boomers with incomes of at least \$100,000 say the same.

Boston's boomers are also more likely to be financially tapped out.<sup>5</sup> More than 60 percent

describe their personal finances as fair or poor. About one-third of Boston boomers (34%) have taken on more debt than they can handle, and 28 percent have maxed out their credit cards. Even compared to other urban boomers, Boston boomers stand out as financially stressed. Some residents in other parts of the state are also under financial stress. Boomers who live in Central and Western Massachusetts report having trouble making ends meet, also with one-third taking on more debt than they can handle.

In contrast, boomers who live in the inner suburbs are in the best financial shape, with 12 percent describing their personal financial situation as excellent. Only 12 percent have maxed out their credit cards. This is perhaps not surprising given that 32 percent of them have a graduate or professional degree, which is significantly higher than any other part of the state.

Single parents feel the financial pinch as well, with 62 percent describing their personal finances as fair or poor. In addition, more than one-third (35%) of single parents have taken on more debt than they can handle. Married couples with children are in a much stronger financial state and are less likely to have felt financial strains over the past five years.

The financial stresses of today are related to the retirement plans of tomorrow. Boomers who plan to retire at age 70 or older, if at all, are more likely than those who plan to retire before the age of 65 to have experienced financial strains over the last five years.

### Plans and Priorities for the Boomers' Golden Years

Even though nearly all Bay State boomers are active in the labor force, they are thinking about retirement, both how to pay for their golden years and what to do in them. The top three

retirement priorities are: spending time with family and friends, traveling, and devoting time to hobbies and special interests. But for this next generation of retirees, work is never far from their minds.

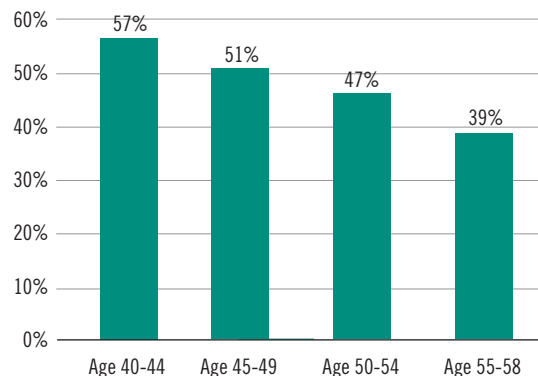
### Boomers Poised to Redefine Retirement

Nearly half (49%) of boomers plan to retire later than age 65 or never plan to retire. In general, their retirement plans are similar to those of their national peers, but significantly fewer Bay State boomers plan to retire before the age of 60.<sup>6</sup>

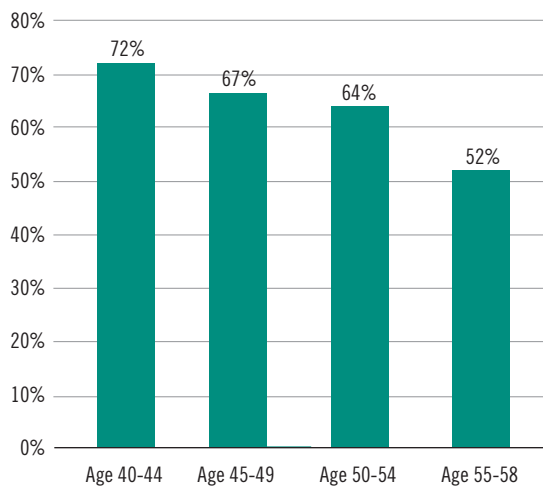
If their plans unfold as they expect, we will see an increase in the average age of retirement, which has been stable for the last two decades after declining for most of the 20th century.<sup>7</sup> In 1910, the average retirement age was 74. It then dropped considerably over the next seven decades but has remained stable since the 1980s. In Massachusetts, the average retirement age for men is 64, and for women, 62.<sup>8</sup> An increase in retirement age would go against the grain of the last century and will be a result of both choice and financial necessity.

Moreover, there are significant differences within the generation. Younger boomers expect to delay their retirement longer. Consider that

**ES FIGURE 2: Boomers who Expect to Retire Later than Age 65 or Not At All**



**ES FIGURE 3: Boomers who Plan to Work in Retirement**



over half (57%) of boomers in their early 40s are planning to retire over the age of 65 or not at all, while only 39 percent in their late 50s say the same. While younger boomers' views may change as they reach their 50s, we could be witnessing a fundamental change in the nature of retirement.

The age of retirement is not the only thing that is changing. So too is the definition of retirement. Traditionally, retirement has meant to withdraw from the workforce or to stop working. For boomers, that is no longer accurate. Roughly two-thirds (65%) of boomers plan to work at least part-time in their golden years. The work schedule they want after retirement, however, will be different from their current jobs. They expect to work less than 25 hours per week, and they want flexible hours.

Younger boomers are also significantly more likely to plan to work after they retire. Close to three-quarters (72%) of boomers in their early 40s say they are likely to work after they retire. In contrast, only 54 percent of boomers in their late 50s say the same. Again, we could be watching a fundamental change in the definition of retirement rippling through the generation.

The main reasons they plan to work are financial:

- 27 percent say they will work for the most basic economic reason—to earn money to make ends meet;
- 12 percent to have access to health care coverage; and
- 19 percent to have enough money for extras.

This adds up to at least 39 percent of boomers who expect to work because of financial necessity.

Slightly more than one-quarter (28%) of boomers plan to work in order to stay busy. Not surprisingly, those with the highest incomes and those with the most retirement savings are also the most likely to want to work after they retire out of choice, not necessity.

As boomers think about new jobs after retirement, upgrading their skills is on their minds. The majority has either already received (28%) or plans to get (33%) additional education or job training. Boomers who are now in their 40s are especially interested in additional training or education. However, those who need this additional training the most—boomers without a college education—are the least likely to show an interest in it. Only 31 percent of those with a high school diploma or less say they have gotten or plan to get additional education or training to prepare for a retirement job, compared with 49 percent of college graduates.<sup>9</sup>

### *Retirement Finances*

While the overwhelming majority of boomers have some savings set aside specifically for retirement, the majority (53%) does not think they have saved enough. Fully 13 percent report having no retirement savings. In terms of actual money saved, their median amount of retirement savings (excluding the equity in their homes) is about \$122,000—not a lot of money to support a household for two decades.

While the question of how much money is “enough” is somewhat subjective, most who have saved at least \$250,000 for retirement believe they have saved enough. (Still, one in five with this amount do not think they are financially secure.) Those who have saved between \$100,000 and \$250,000 are divided in their assessment of whether those savings are sufficient. Not surprisingly, the majority of those who have saved less than \$100,000 (72%) believe that it is not enough money for their retirement years.

### Home Equity: A Key Financial Resource

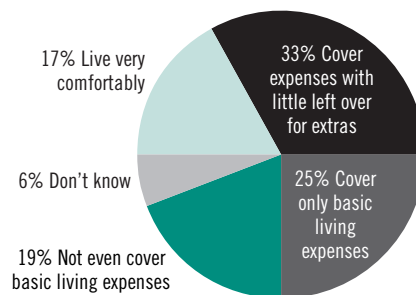
More than three-quarters of boomers (78%) own their own home and roughly half (51%) have been in their same house for at least 10 years. Given the steep rise in housing prices in the Bay State in recent years, home equity will be an important part of boomers’ retirement nest eggs. Indeed, four in 10 boomers estimate having a quarter of a million dollars or more of equity in their home. Those who live in the inner suburbs enjoy the highest level of home equity, with more than half (51%) having at least \$250,000 in equity. Boomers in Central and Western Massachusetts have the lowest amount of equity, with only 25 percent saying their equity is at least \$250,000.

### Modest Expectations for Golden Years

For most Americans, the American Dream includes a comfortable lifestyle in retirement. This notion may be changing, however. Despite the fact that a substantial number are planning to work beyond the current average age of retirement or are not planning to retire at all, and despite the fact that a clear majority plans to work even after they retire, baby boomers still have quite modest expectations of economic security for their golden years:

- Only 17 percent expect to live very comfortably;

**ES FIGURE 4: Boomers’ Retirement Lifestyle Expectations**



- 33 percent expect to have enough money to cover expenses with a little left over for extras;
- 25 percent expect to have enough money to cover only their basic living expenses; and
- 19 percent do not expect to have even enough money to cover basic expenses.

This adds up to 44 percent who think they will have enough only to cover the basics or not even that.<sup>10</sup> Here, there are no significant differences between older and younger boomers. Even though younger boomers are planning to retire later than the older boomers and are more likely to plan to work after they retire, only 16 percent of the youngest boomers (age 40-44) expect to live very comfortably in their retirement years. As might be expected, college graduates are more likely to think they will be financially secure, but even so, only 23 percent of them expect to live very comfortably during their retirement years.

### A Place to Call Home

Baby boomers tend to be well established in their homes and have lived in Massachusetts a long time. Roughly half (51%) have been in the same home for more than 10 years, and 84 percent have lived in Massachusetts more than 20 years. With such strong roots in the state, boomers are often the bedrocks of their communities. As they age, boomers will face a number of decisions about

where to live. They are starting to think about this issue, especially the older ones, but it is not yet at the top of their radar screens.

### *The Next Move*

Over the next 20 years, roughly half (52%) of boomers plan to move, 40 percent expect to stay in their current home, and eight percent are not sure what they will do. Those planning to move generally expect to do so within the next five years. While these numbers might sound high, they appear to follow the normal ebb and flow of relocation. In fact, the percentage of boomers who plan to move within the next five years (30%) mirrors the percentage that say they moved to their

## THERE MAY BE A NEW AND GROWING GROUP OF OLDER OUT-MIGRANTS

current home within the past five years (29%). Moreover, if there was going to be a particular “retirement bump” in the boomers’ moving behavior, there would likely be differences between younger and older boomers. Yet, there are no significant differences in their moving plans. At the two extremes, 30 percent of the oldest boomers (age 55-58) plan to move in the next five years, but so do 31 percent of the youngest boomers (age 40-44).

It is also important to realize that the next move may or may not be tied to retirement. Younger boomers are still decades away from retirement. Boomers cite the cost of living, the desire or need to relocate elsewhere, or a desire for a change as common reasons behind their next move. These motivations may be related to retirement, but not necessarily so. Some reasons, such as wanting to buy instead of rent, do not appear related to retirement. And, rather than

getting ready to downsize, a significant number of boomers in their 40s would like to move to a larger home (13% vs. 3% of those age 50-58).

Retirement is, however, on the horizon for many boomers, and for at least one-third, retirement-related concerns are driving the decision to move. Their reasons include the need to downsize or the desire for a home that requires less maintenance. Not surprisingly, boomers in their 50s are nearly twice as likely as boomers in their 40s to attribute the reason for their next move to retirement concerns (44% vs. 23%).

### *Retirement Priorities*

The most important goals for boomers deciding where to live during their retirement years are:

- To live somewhere with low taxes or that is affordable;
- To live close to children, other family members, or close friends; and
- To live somewhere that is not too crowded or stressful.

The least important considerations are living in a community with people your own age and living somewhere with good public transportation. That is not to say that boomers do not want to live in these settings, but these are not the priorities driving their decisions.

These priorities are a mixed bag for the state.

**ES TABLE 2: Boomers’ Priorities for Retirement Housing/Location**

	PERCENT SAYING EACH IS “VERY IMPORTANT”
Affordable/Low taxes	60
Proximity to children, family or friends	60
Not too crowded or stressful	59
Small home or less maintenance	46
Easy access to arts, culture, fine dining	37
Good weather	34
Good public transportation	31
Living in a community with people their own age	11

Proximity to family and friends is clearly the state’s biggest drawing card—provided that not too many of the boomers’ children leave the state. On the other hand, affordability is not the Bay State’s competitive advantage.

Not surprisingly, people’s priorities shape whether they want to stay in their current home, move to another home nearby, or move farther away. In the end, boomers are divided in terms of where to live during their golden years:

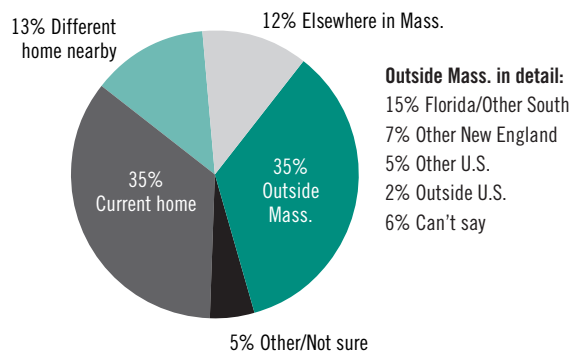
- 35 percent want to stay in their current home;
- 13 percent want to stay in the same community but in a different home;
- 12 percent want to move to another part of the state; and
- 35 percent want to leave the state.

The 35 percent who want to retire outside of the state translates into roughly 650,000 people or 10 percent of the state’s population. A certain amount of retirement migration is typical, especially from a cold, expensive state, such as Massachusetts. However, the sheer size of the boomer generation means that their retirement exodus could have a strong impact on the state, indeed creating a new class of out-migrants. MassINC research has found that out-migrants in the recent past have typically been young, highly educated managers and professionals who work in the knowledge economy. The median age of out-migrants is 32. This research suggests that there may also be a new and growing group of older out-migrants—retiring boomer out-migrants—adding to the outflow.<sup>11</sup>

### *The Golden Years in Boston?*

Despite some predictions of empty-nest boomers flocking back to the city, Boston and other cities do not appeal to most as a place to spend their retirement years. Rather, the majority of boomers want to live in either a suburb or in the country

**ES FIGURE 5: Boomers’ Preference for Retirement Location**



(69%). Only a minority (17%) envisions an urban retirement, and just 7 percent say they would most like to live in Boston.

The idea of living in Boston appeals to a very specific group of boomers: those already living in Boston or in the inner suburbs. Thirty percent of Boston boomers and 12 percent of Inner Suburb boomers say they want to live in Boston during their retirement. In sharp contrast, only 3 percent of the Outer Suburb boomers want to live in Boston, and outside of Greater Boston, only 1 percent of boomers wants to live in Boston. The idea of living in Boston appeals to those with the most education; 13 percent of boomers with an advanced degree (beyond a college degree) say they would most like to live in Boston for their retirement years. So, while Boston could potentially benefit from an influx of boomers from the closest suburbs, the urban draw appears limited.

### *Staying in their Home*

Time brings attachment, and the longer the boomers have lived in their home, the more likely they are to want to stay there for their retirement years. Nearly two-thirds (63%) of the boomers who want to stay in their current home have lived there more than 10 years. Boomers in their 50s are more likely than those in their 40s to want to

**ES TABLE 3: Retirement Priorities of Those Who Want to Stay vs. Leave Massachusetts (in percent)**

PERCENT WHO SAY EACH IS "VERY IMPORTANT"	STAY	LEAVE	DIFFERENCE PCT. POINTS
Good weather	20	59	39
Proximity to children, family or friends	70	45	35
Affordable/Low taxes	55	72	17
Small home or less maintenance	40	56	16
Not too crowded or stressful	54	67	13

stay in their current home (39% vs. 31%), and boomers in their late 50s are even more likely to want to stay where they are. Roughly, 4 out of 10 (41%) boomers who earn \$100,000 or more want to stay in their current home. They are also more likely to rank their personal financial situation positively.

#### *Leaving the Bay State*

If their plans unfold as they expect, Massachusetts stands to lose a lot of baby boomers to other states. The priorities of the people who want to leave differ from those who want to stay (either in their current home or in another home in the Bay State). For boomers looking to retire out of the state, the following considerations are very important:

- Finding a place that has low taxes or is affordable;
- Weather;
- Living in a smaller home or one that requires less upkeep and maintenance; and
- Finding a place that is not too crowded or stressful.

In contrast, living close to family and friends seems to be the highest priority for many of those who want to stay in Massachusetts; 70 percent say it is a very important consideration, compared with only 45 percent of those who want to leave the state. Some of the departing boomers might

want to leave the state in order to be close to family. Interestingly, the top priority for the retirement years of boomers leaving the state is travel.

Many boomers will be heading south. Florida and other southern states are the most popular destinations. Boomers who want to leave will not just be enjoying the warmer weather, however; they are equally likely as those staying to expect to work during their golden years. In many respects, the profile of those who want to leave the state is similar to those who want to stay, but there are some key differences. Boomers who want to leave the state are:

- More likely to report their financial situation as fair or poor (41% vs. 34%);
- More likely to be dissatisfied with the way things are going for their family today (32% vs. 19%);
- Less likely to be a lifelong resident of the Bay State (50% vs. 66%);
- Less likely to live in the inner suburbs (12% vs. 19%);
- Equally likely to be a homeowner but less likely to have equity in their house worth \$250,000 or more (35% vs. 43%);
- Less likely to hold a professional or business job (58% vs. 67%);
- Equally likely to have a college degree but less likely to have a graduate or professional degree (16% vs. 23%); and
- Nearly twice as likely to be a person of color (15% vs. 8%).

The opportunity to make a profit on the sale of their home also appears to be a strong motivator for those who want to leave, with 41 percent saying it is a very important consideration in deciding whether to stay in their current house. In contrast, only 25 percent of boomers who want to stay in Massachusetts say the same.

Finally, there are differences in retirement life-



style expectations. Boomers who prefer to stay in Massachusetts are more likely to expect to have enough money to cover more than their basic living expenses. Only 16 percent of those who want to stay say they will not have enough money to cover their basic needs, compared with 24 percent of those who want to leave the state. The state's high cost of living clearly impacts boomers' assessments of where they will have the best opportunity to live comfortably in their golden years.<sup>12</sup>

It is important to keep in mind that most boomers have not yet given a lot of thought to where they will live during their retirement years. Only 38 percent of boomers in their 50s have given this issue “a lot” of thought. As boomers begin to pay attention to this issue, the number that decides to leave the state may grow. This research finds that those who say they have given “a lot of thought” about where to live during retirement are significantly more likely to say that they want to leave the state.

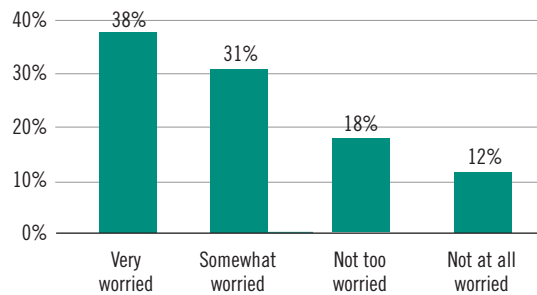
### The Health of the Baby Boomers

Health is an issue already on the boomers' radar screen. In thinking about their future, only two issues—money and health—have already commanded “a lot” of attention from a majority of boomers. The issue of health also underscores generational differences. Older boomers are much more likely to have given the issue a lot of thought, and it is more likely to be at the top of their concerns. One in four (26%) of the oldest boomers in their late 50s say this is their biggest concern, while only 9 percent of boomers in their early 40s say the same.

### Current Health Status

The majority of boomers are currently in good health, with two-thirds describing their own health and that of their spouse as excellent or very good.

**ES FIGURE 6: Concerns About Access to Affordable, Quality Health Care in Retirement**



Boomers in their 40s are significantly more likely to describe their health as excellent or very good. In contrast, nearly one out of every five boomers in their 50s (19%) describes his or her health as either fair or poor. In addition, suburban boomers are more likely than urban boomers to say their health is excellent or very good (68% vs. 57%). Nearly all boomers (95%) say they currently have health insurance.

## BOOMERS ARE WORRIED ABOUT HEALTH CARE IN THEIR RETIREMENT YEARS

### The Medicare Factor

Access to Medicare appears to be affecting the retirement plans of nearly 9 in 10 boomers (88%). More than three-quarters (77%) say the fact that Medicare coverage is not available until age 65 is a very important consideration in deciding when to retire and an additional 11 percent say it is a somewhat important consideration.

### Future Health Concerns

Going forward, boomers are worried about having access to affordable, quality health care in their retirement years, with 69 percent saying they are either very or somewhat worried. There is little difference across the state or among

the younger and older boomers when it comes to this issue. Women are among those with the highest level of concern about their future health insurance. Even boomers with high incomes are concerned. Nearly two-thirds of those with incomes over \$100,000 (63%) report being very or somewhat worried about having access to affordable, quality health care in their retirement years.

#### *Life Insurance and Other Related Issues*

Nearly three-quarters of boomers (74%) say they have life insurance. In contrast, long-term care insurance does not appear to be a high priority for boomers, with only 17 percent having it. Boomer men are more likely than boomer women to have it but even so, only a small portion of them has it (20% vs. 14%). Living wills are a bit more common: 39 percent of the boomers report they have a living will.<sup>13</sup> Having a living will is associated with age. The oldest boomers, in their late 50s, are much more likely than the youngest boomers, in their early 40s, to have a living will (57% vs. 30%).

## NEARLY HALF OF BOOMERS WITH ADULT CHILDREN STILL PROVIDE THEM WITH FINANCIAL SUPPORT

### **The Sandwich Generation**

Massachusetts boomers are in the midst of their caretaking years—caring for their children and caring for their parents. What sets this generation apart from previous ones, however, is the likelihood that they are doing both at the same time. Increased life spans for older adults coupled with having children later in life—and children remaining dependent on parents longer than in the past—has created what is sometimes called “the sandwich generation.”<sup>14</sup>

### *Dependent Children*

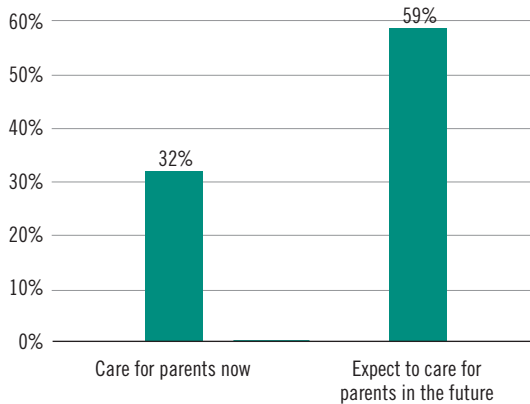
The vast majority of boomer parents (81%) currently have children who are dependent on them in some way. This includes parents of minor children, adult children who have lived in their home during the past year, and adult children who receive some financial support. It is common for parents to help their children into their young adulthood. Nearly half of boomers with adult children (48%) still provide some financial support to their children, and more than half say their adult children (56%) lived with them at some point during the past year. Some of the help for adult children is a result of parents helping their children through college. In addition, some of the financial help reflects a capacity and likely willingness to help. Those with the most resources are more likely to be financially supporting their adult children (28% of those with incomes of at least \$100,000 vs. 17% of incomes under \$40,000).

The end does not appear in sight. Over the next 10 to 20 years, more than half of all parents (52%) think it is likely they will provide financial support for their children. They also anticipate giving their children larger amounts of money than they currently do. Even though it appears that helping one’s children get on their feet takes longer than it did in the past, ultimately, boomers expect their children to succeed. More than half of boomer parents (55%) believe that their children will be better off financially than they are when their children reach their age. Despite the financial worries expressed by boomers today, faith in the American Dream appears to endure.

### *Dependent Parents*

Nearly three-quarters of Bay State baby boomers (69%) have at least one living parent. But the majority does not currently provide any financial

**ES FIGURE 7: Boomers with Dependent Parents\***



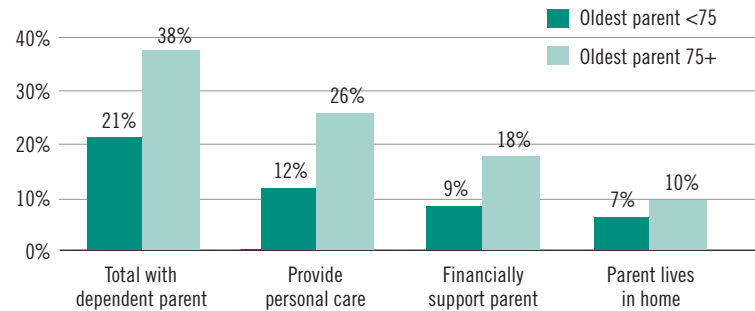
\*Includes only boomers who have at least one living parent

support or personal care to their parents. Of boomers who have at least one living parent, 20 percent currently provide personal care, 14 percent provide some financial support, and 9 percent have a parent who lives with them. Because some boomers are caring for their parent in more than one way, this adds up to 32 percent of boomers (with a living parent) who have a dependent parent.

Not surprisingly, as people age, they are more likely to have health problems, need additional help with household chores, and are more likely to live on a fixed income. Those boomers with older parents are substantially more likely to help support their parents. At present, 38 percent of boomers whose oldest parent is at least 75 years old have a parent who is dependent on them, either financially or personally, compared with only 21 percent of boomers whose oldest parent who is under the age of 75.

The number of boomers with a dependent parent seems likely to increase sharply in the coming years. Nearly 60 percent of boomers with living parents anticipate having a dependent parent in the future. Boomers expect their parents to need their time more than their money.

**ES FIGURE 8: Boomers with Dependent Parents Now by Age of Oldest Parent**



Relatively few expect to provide financial support for their parents, but 56 percent of boomers with a living parent say they are likely to provide personal care for their parents, including more than a third who think they will have to do so daily (16%) or a few times a week (19%).

### *The Sandwiched Boomers*

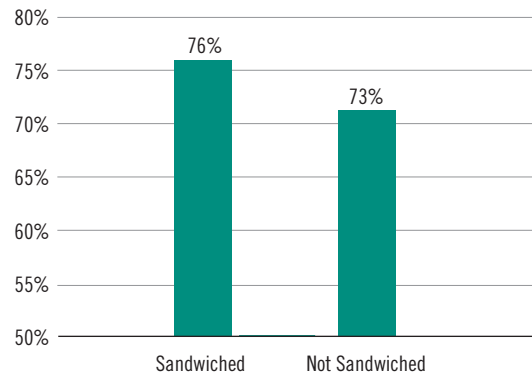
Today, one out of every 10 Bay State boomers (11%) is sandwiched—that is, caring for both their children and their parents. However, not all boomers could be sandwiched, either because they don't have children or they have already lost both parents. Of boomers with both children and a living parent, 24 percent are sandwiched, with both generations dependent on them.

Again, the age of the oldest parent is key. Ten percent of those whose oldest parent is now under age 75 are currently sandwiched. That share nearly doubles to 19 percent among boomers whose oldest parent is 75 or older. Boomers with the most financial resources and college graduates are more likely to be caring for two generations of family at the same time.

Despite the time, energy, and money it takes to care for both children and parents at the same

**ES FIGURE 9: Sandwiched and Satisfied**

Boomers satisfied with the way things are going for them and their families



time, sandwiched boomers do not appear to be particularly burdened by their responsibilities. Sandwiched boomers are equally satisfied with the way things are going for their family as other boomers (76% vs. 73%). In addition, they are equally likely to rate their current financial situation as good to excellent (64% vs. 62%).

The future appears to hold more sandwiched boomers. Seventeen percent of all boomers think it is likely that they will be caring for both their children and their parents over the next 10 to 20 years. That is a considerable increase from the 11 percent currently in this situation. (Of those with both children and a living parent, 37 percent expect to be sandwiched.) As more boomers care for two generations at the same time, it is not clear how that will affect their work productivity, but it does suggest that more flexible workplaces will be needed. Overall, it appears that more than one in five boomers (22%) will go through the sandwich phenomenon at some point—now or in the future—as part of their midlife experience.

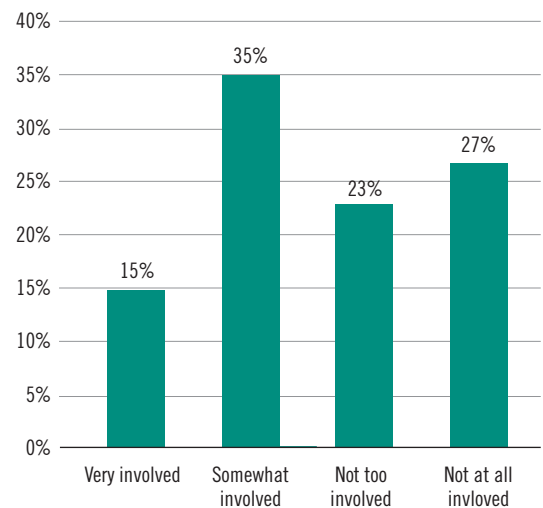
**The Civic Life of Baby Boomers**

Boomers have strong roots in their communities, and many are involved in their neighborhoods. Half of baby boomers describe themselves as

either very or somewhat involved in community and neighborhood activities, and six out of 10 say they have volunteered in the last 12 months. Boomers are most likely to be involved with organizations devoted to youth or education, with 43 percent spending their spare time helping at these types of organizations, and 14 percent volunteering at least once a week. Almost one-third (31%) volunteer for a church or other religious group, and 27 percent volunteer for a civic or community organization. There is, however, clearly room for increased civic participation, given that half of boomers say they are either not very involved or not at all involved in community activities.

Boomers in their 40s are more likely than those in their 50s to be involved in their communities, and parents with children under 18 are among the most likely to volunteer. Younger boomers are twice as likely as older boomers to volunteer regularly for a youth organization. Interestingly, the youngest boomers (age 40 to 44) are also more likely than boomers in their 50s to volunteer for a church or other religious group on a monthly basis (24% vs. 15%).

**ES FIGURE 10: Boomers' Current Involvement in Community and Neighborhood Activities**



### *Volunteering during Retirement*

In the coming decades, boomers can offer local communities a rich civic resource. Seventy-one percent say that volunteering is part of their retirement plans, and a significant number who have not volunteered during the past year (50%) plan to start. Those who are currently active in their communities, however, will likely be the heart of the retirement volunteer corps. Eighty-four percent of those who have volunteered during the past 12 months say they plan to continue volunteering in the coming years. In addition to organizations involved in youth and education, boomers seem interested in volunteering their time at community organizations such as hospitals or groups that help the poor, elderly, or homeless.

Two groups to watch are women and college graduates. Although neither of these groups is more likely than others to volunteer today, they are more likely to plan to do so in the future. Consider that 82 percent of college graduates say they expect to volunteer during retirement. Similarly, three quarters of women (74%) plan to volunteer in their retirement years. Moreover, when asked to choose their main priority for their retirement years, 11 percent of women chose volunteering, while only 3 percent of men did. In contrast, devoting their time to hobbies or special interests was the most common choice for men, with 29 percent choosing that as their main priority for their golden years.

### **Concluding Thoughts**

Boomers are a critical part of the Massachusetts economy, accounting for roughly 45 percent of the labor force today. In 2006, the oldest boomers will begin to turn 60, approaching traditional retirement age. The decisions they make about how and where to live and work could have a major impact on the state over the next 30 years.

If, for instance, every baby boomer were to retire at the current age of retirement (64 for men, 62 for women) and move to Florida, it would potentially devastate the economy. On the other hand, it would also free up a great deal of housing, relieving the price pressures on younger families trying to buy homes, though at a cost of losing many residents who are strongly connected to Massachusetts. Given the cross currents expressed in this survey, nothing so drastic is likely to occur. But, it is clear that baby boomers will, once again, reshape society as they move into their retirement years, beginning with redefining retirement itself.

With so many boomers expecting to retire at a later age than the current norm and a majority expecting to work after retirement, the impact on the state's labor force might be mitigated. But, boomers will be seeking jobs with more flexibil-

## **WILL EMPLOYERS BE ABLE TO MEET THEIR DESIRE FOR LESS CONVENTIONAL WORK ARRANGEMENTS?**

ity and fewer hours than those they are working now. Moreover, a substantial share of boomers wants to leave the state for their retirement years, a cause for concern in terms of the impact on the state's labor force, which has one of the lowest growth rates in the nation.

That the clear majority of boomers expect to work at least part-time after they retire offers an important opportunity for Bay State employers. Boomers are a highly educated generation with years of work experience. Will employers be able to meet their desire for less conventional work arrangements? There are a number of impediments to hiring older workers. First, older workers are expensive, as the cost of fringe benefits tends to rise with age. Employers have also traditionally resisted part-time work, which is what

older workers seek. In addition, most existing employment policies have been geared toward encouraging early retirement, although the shift from traditional pensions to 401(k)s has reduced these incentives considerably. Finally, there is also the question of whether older workers have the required skills to do the jobs of tomorrow.<sup>15</sup> While increased employment of older workers is clearly in the interest of both employers and workers, capitalizing on this mutual interest could be a challenge for employer and employee alike.

Local colleges and universities have a key role to play to helping to make the match between older workers and employers succeed. Additional education and job training will be necessary for many boomers as they prepare for their post-retirement jobs. This research shows that boomers, particularly younger boomers and those with

## THE SHEER SIZE OF THIS GENERATION MAKES THEIR DEPARTURE AN ISSUE OF CONCERN

a college degree, are interested in getting such training. Higher education institutions should actively reach out to this group and offer a curriculum of classes that will prepare boomers for high-growth jobs. As the economy continues to require higher skill levels, the state should also support efforts, such as the Reach Higher Initiative, that help increase opportunities for adults without a college degree to enter community colleges.<sup>16</sup>

As boomers anticipate their next housing move, there will be a lot of movement in the housing market. In the next 20 years, roughly half think it is likely they will move. Not all of that movement is related to retirement. The motives, desires, and timing of their next move are mixed enough that it is unlikely to cause an

abrupt shock to the state's housing market. In fact, a portion of the youngest boomers is seeking larger houses, not smaller ones. Retirement is, however, on the minds of some boomers, especially the older ones. Boomers are seeking an affordable place that is not too crowded and stressful and is near family and friends. In contrast, living in a community with people their own age—over-55 housing—appears important to only a small fraction of boomers. These priorities raise questions about a potential mismatch between boomers' preferences and the state's housing stock, given the recent proliferation of over-55 housing. Finally, an urban retirement in Boston appears to also have a small audience, with the strong majority preferring to live in the suburbs or the country.

As of today, more than one-third of boomers (35%) say that they want to leave the state for their golden years. Even if they leave the state gradually over a period of time, the state stands to lose roughly 650,000 residents—about 10 percent of the state's population. In a state with negligible population growth, their departure will clearly impact the state, in both economic and civic terms. While some degree of retirement migration is to be expected, the sheer size of this generation makes this exodus an issue of concern. In addition, there are indications that the numbers who want to leave could grow as more boomers start thinking about where to live in their retirement.

Clearly, some factors—notably, the weather—are beyond any policymaker's control. Traditionally, retirees have moved from colder to warmer climates. While some states have launched campaigns to attract retirees, it would be a stretch to imagine Massachusetts as a magnet for retirees from other states. But the state's civic, political, and business leaders should think about ways to make the Bay State more retiree-friendly, espe-

cially in regions of the state that are more affordable, so that Massachusetts boomers do not feel compelled to leave.

Efforts to make Massachusetts more affordable, not only for boomers themselves but also for their children, must be part of a strategy to keep boomers, since proximity to family and friends is a key attraction. Making housing more affordable, however, raises a thorny issue. The typical amount of money that boomers have saved for retirement is modest. At the same time, more than three-quarters of boomers are homeowners, and most have owned their homes for some time. Given the steep increases in housing prices, many boomers have accumulated a significant amount of equity in their homes, and it follows that they are counting on this equity for their retirement nest eggs. Is it possible to make neighborhoods affordable so that the children who grew up in

them can afford to live there as adults, without disturbing the nest eggs of their boomer parents?

This survey opens a window into Bay State boomers' concerns and plans for the future. By virtue of their sheer size, their actions will impact

## THE STATE'S LEADERS SHOULD THINK ABOUT WAYS TO MAKE THE BAY STATE MORE RETIREE-FRIENDLY

the economic, political, and civic worlds around them. While Massachusetts boomers are generally satisfied with their lives, they are also sending state leaders clear signals about their financial anxieties. The cost of living, affordable health care, college costs, and being able to retire are among their biggest worries. As a state with minimal population growth, Massachusetts has an imperative to address these concerns.

## Endnotes

1. These results are based on a telephone survey of 1,000 Massachusetts adults age 40-58 conducted between June 23 and July 23, 2005 by Princeton Survey Research Associates International. Baby boomers are those people born between 1946 and 1964. For the purposes of the survey, baby boomers were defined as adults age 40-58 at the time of the interview. For more information about the methodology, see Appendix A.
2. These figures come from the 2004 American Community Survey and are based on the total boomer population in Massachusetts.
3. We report differences between subgroups only if the differences are statistically significant at the 95% confidence level.
4. Newsweek and Heinz Endowments, "Discontent Beneath the Boom," March, 2000. Even considering the number of years since this poll, the significant disparities suggest that Massachusetts boomers are in better financial shape.
5. The differences between Boston boomers and those living outside the City are statistically significant at the 95% confidence level. However, it should be noted that because of the small sample size, there is a high margin of error for Boston Boomers, which limits efforts to profile them.
6. Newsweek and The Heinz Endowments, "Discontent Beneath the Boom," March, 2000.
7. The average retirement age is defined as the youngest age at which half of the population is out of the labor force.
8. Munnell, Alicia H. et al. 2004. *The Graying of Massachusetts: Aging, the New Rules of Retirement, and the Changing Workforce*. MassINC.
9. There is a large need for additional education and training. Previous MassINC research *New Skills for a New Economy* (2000) found that 667,000 workers who had a high school diploma or more still had insufficient skills for the demands of today's economy.
10. This is consistent with national research that finds conservative financial expectations for retirement. See AARP, "Baby Boomers Envision Retirement II—Key Findings: A Survey of Baby Boomers' Expectations for Retirement," 2004.
11. Overall, Massachusetts loses more people than it attracts. Between 1990 and 2002, Massachusetts suffered a net loss of 213,000 domestic out-migrants. For more information, see Nakosteen, Robert et al. 2003. *Mass.Migration*. MassINC and University of Massachusetts Donahue Institute.
12. There are not significant differences between those who want to leave the state and those who want to stay in terms of their actual incomes or the amount of money saved for retirement. There are also not differences in whether or not they own a home.
13. Massachusetts currently does not have a statute governing the use of living wills, but a living will can be used to show a person's preference for end-of-life care.
14. We define a sandwiched boomer as someone who has a dependent child and a dependent parent. A dependent child is under age 18, an adult child who has lived with the parent for at least part of the past year, or an adult child for whom the parent provides financial support. A dependent parent is one for whom a boomer provides financial support or personal care, or who lives in the boomer's home.
15. See *The Graying of Massachusetts*, especially Chapter 7.
16. The Reach Higher Initiative is a public-private partnership focused on helping more working adults access and complete community college workforce development programs. MassINC has been a part of this effort. The partnership seeks to build stronger connections between employers and community colleges and to expand financial aid programs for working adults.





## MASSINC SPONSORS

AARP Massachusetts	Philip & Sandra Gordon	Nellie Mae Education Foundation
A.D. Makepeace Company	Harvard Pilgrim Health Care	New England Regional Council of Carpenters
Ronald M. Ansin Foundation	Harvard University	New Boston Fund, Inc.
Associated Industries of Massachusetts	Home Builders Association of Massachusetts	New Tilt
Bank of America	Hunt Alternatives Fund	Nixon Peabody, LLP
The Beal Companies, LLP	The Hyams Foundation	Northeastern University
Beth Israel Deaconess Medical Center	IBM	The Noyce Foundation
Bingham McCutchen, LLP	John Hancock Financial Services	Nutter, McLennen, & Fish, LLP
Blue Cross Blue Shield of Massachusetts	KeySpan	Oak Foundation
Boston Carmen's Union	KPMG, LLP	The Omni Parker House
Boston Sand & Gravel Company	Liberty Mutual Group	Palmer & Dodge, LLP
Boston Society of Architects / ALA	Carolyn & Peter Lynch	Paradigm Properties, LLC
Boston Private Bank & Trust Company	Massachusetts AFL-CIO	Partners HealthCare
The Boston Foundation	Massachusetts Building Trades Council	The Polaroid Fund
Boston University	Massachusetts Chapter of the National Office of Industrial and Office Properties	Putnam Investments
Carruth Capital, LLC	Massachusetts Educational Financing Authority	Recycled Paper Printing, Inc.
The Charles Hotel	MassEnvelopePlus	Retailers Association of Massachusetts
Gerald & Kate Chertavian	Massachusetts Foundation for the Humanities	Fran & Charles Rodgers
Children's Hospital Boston	Massachusetts Health & Education Facilities Authority	Stephen & Barbara Roop
Citizens Bank	Massachusetts High Technology Council	RSA Security Inc.
Commonwealth Corporation	Massachusetts Hospital Association	Savings Bank Life Insurance
Comcast	Massachusetts Medical Society	The Schott Foundation for Public Education
Irene E. & George A. Davis Foundation	Massachusetts State Lottery Commission	William E. & Bertha E. Schrafft Charitable Trust
Delta Dental Plan of Massachusetts	Massachusetts Technology Collaborative	Skadden, Arps, Slate, Meagher & Flom, LLP
Denterlein Worlwide	MassDevelopment	State House News Service
Dewey Square Group	MassHousing	State Street Corporation
EMC Corporation	Massport	Tevnan & Tevnan
Fallon Community Health Plan	Mellon New England	Tishman Speyer
Fidelity Investments	The MENTOR Network	Tufts Health Plan
The Paul and Phyllis Fireman Charitable Foundation	Mercer Human Resource Consulting	University of Phoenix
Fleet Charitable Trust Services	Microsoft Corporation	Veritude, LLC
Foley Hoag, LLP	ML Strategies, LLC	Verizon Communications
Chris & Hilary Gabrieli	Monitor Group	Wachusett Mountain Ski Area
Gardiner Howland Shaw Foundation	Monster North America	Wainwright Bank & Trust Company
The Gillette Company	National Grid	WolfBlock Public Strategies, LLC
Goodwin Procter, LLP		

## THE CITIZENS' CIRCLE

*The individuals who make up MassINC's Citizens' Circle have been instrumental to our success as we have grown into one of the state's premier players in the public policy arena.*

Anonymous (4)	Thomas G. Davis	Jeffrey Jones	Randy Peeler
Tom Alperin	Richard B. DeWolfe	Robin & Tripp Jones	Hilary Pennington & Brian Bosworth
Joseph D. Alviani & Elizabeth Bell Stengel	Roger D. Donoghue	Sara & Hugh Jones	Finley H. Perry, Jr.
Joel B. Alvord	Tim Duncan	Dennis M. Kelleher	Daniel A. Phillips
Carol & Howard Anderson	William & Laura Eaton	Tom Kershaw	Maureen Pompeo
Ronald M. Ansin	Philip J. Edmundson	Julie & Mitchell Kertzman	Michael E. Porter
Richard J. & Mary A. Barry	Susan & William Elsbree	Richard L. Kobus	Mark & Sarah Robinson
Gus Bickford	Wendy Everett	Stephen W. Kidder & Judith Malone	Fran & Charles Rodgers
Joan & John Bok	Neal Finnegan	Anne & Robert Larner	Barbara & Stephen Roop
Francis & Margaret Bowles	David Feinberg	Gloria & Allen Larson	Michael & Ellen Sandler
Ian & Hannah Bowles	Christopher Fox & Ellen Remmer	Paul & Barbara Levy	John Sasso
Rick & Nonnie Burnes	Robert B. Fraser	Chuck & Susie Longfield	Helen Chin Schlichte
Andrew J. Calamare	Chris & Hilary Gabrieli	R.J. Lyman	Karen Schwartzman
Heather & Charles Campion	Darius W. Gaskins, Jr.	Carolyn & Peter Lynch	Richard P. Sergel
Marsh & Missy Carter	Paula Gold	Davis McGrath	Robert K. Sheridan
Neil & Martha Chayet	Lena & Richard Goldberg	Mark Maloney & Georgia Murray	Alan D. Solomont & Susan Lewis Solomont
Gerald & Kate Chertavian	Carol R. & Avram J. Goldberg	Dan M. Martin	Helen B. Spaulding
Celine McDonald & Vin Cipolla	Philip & Sandra Gordon	Paul & Judy Mattered	Patricia & David F. Squire
Margaret J. Clowes	Jim & Meg Gordon	Kristen McCormack	M. Joshua Koff
Dorothy & Edward Colbert	Jeffrey Grogan	Peter & Rosanne Bacon Meade	Gregory Torres & Elizabeth Pattullo
Ferdinand Colloredo-Mansfeld	Barbara & Steve Grossman	Nicholas & Nayla Mitropoulos	Tom & Tory Valley
Franz Colloredo-Mansfeld	Ray & Gloria White Hammond	James T. Morris	Michael D. Webb
Woolsey S. Conover	Bruce & Ellen Roy Herzfelder	John E. Murphy, Jr.	David C. Weinstein
John Craigin & Marilyn Fife	Harold Hestnes	Pamela Murray	Robert F. White
Cheryl Cronin	Arnold Hiatt	Paul Nace & Sally Jackson	Helene & Grant Wilson
Michael F. Cronin	Joanne Hilferty	Scott A. Nathan	Leonard A. Wilson
Stephen P. Crosby & Helen R. Strieder	Michael Hogan & Margaret Dwyer	Fred Newman	Ellen M. Zane
Sandrine & John Cullinane Jr.	Amos & Barbara Hostetter	Paul C. O'Brien	Paul Zintl
	Philip Johnston	Joseph O'Donnell	

## BOARD OF DIRECTORS

Gloria Cordes Larson, Co-Chairman  
Peter Meade, Co-Chairman  
Ian Bowles, *ex officio*  
Andrew J. Calamare  
Heather P. Campion  
Kathleen Casavant  
Neil Chayet  
Geri Denterlein  
Mark Erlich  
David H. Feinberg  
Robert B. Fraser  
Chris Gabrieli

C. Jeffrey Grogan  
Steve Grossman  
Rev. Raymond Hammond  
Bruce Herzfelder  
Harold Hestnes  
Joanne Jaxtimer  
Jeffrey Jones  
Tripp Jones  
Elaine Kamarck  
Paul Levy  
R.J. Lyman  
Paul Mattera

Kristen McCormack  
Melvin B. Miller  
Hilary C. Pennington  
Michael E. Porter  
Mark E. Robinson  
Charles S. Rodgers  
Alan D. Solomont  
Celia Wcislo  
David C. Weinstein  
Benaree P. Wiley

## BOARD OF POLICY ADVISORS

### ECONOMIC PROSPERITY INITIATIVE:

Peter D. Enrich, *Northeastern University*  
Rosabeth Moss Kanter, *Harvard Business School*  
Edward Moscovitch, *Cape Ann Economics*  
Andrew Sum, *Northeastern University*  
David A. Tibbetts, *Merrimack Valley Economic Development Council*

### LIFELONG LEARNING INITIATIVE:

Harneen Chernow, *AFL-CIO of Massachusetts*  
Carole A. Cowan, *Middlesex Community College*  
William L. Dandridge, *Lesley University*  
John D. Donahue, *John F. Kennedy School of Government*  
Michael B. Gritton, *City of Louisville*  
S. Paul Reville, *The Rennie Center for Education Research and Policy*  
Leonard A. Wilson, *First Essex Bank*

### SAFE NEIGHBORHOODS INITIATIVE:

Jay Ashe, *Hampden County House of Correction*  
Mark A. R. Kleiman, *UCLA School of Public Policy and Social Research*  
Anne Morrison Piehl, *John F. Kennedy School of Government*  
Eugene F. Rivers 3d, *Ella J. Baker House*  
Donald K. Stern, *Bingham Dana, LLP*

### CIVIC RENEWAL INITIATIVE:

Alan Khazei, *City Year*  
Larry Overlan, *Stonehill College*  
Jeffrey Leigh Sedgwick, *University of Massachusetts Amherst*

## MASSINC STAFF

### EXECUTIVE

Ian Bowles, *President & CEO*

### RESEARCH & POLICY

Dana Ansel, Ph.D., *Research Director*  
Greg Leiserson, *Research Associate*

### COMMONWEALTH MAGAZINE

Robert Keough, *Editor*  
Michael Jonas, *Associate Editor*  
Robert David Sullivan, *Associate Editor*  
Gabrielle Gurley, *Staff writer/Coordinator, IssueSource*

### DEVELOPMENT & COMMUNITY AFFAIRS

Katherine McHugh, *Director of Program Development*  
Robert Zaccardi, *Director of Strategic Partnerships*

### COMMUNICATIONS

Michael McWilliams, *Director of Communications*  
Geoffrey Kravitz, *Webmaster*

### PROGRAMS & OPERATIONS

John Schneider, *Vice President*  
David N. Martin, *Director of Finance & Administration*  
Abi Green, *Program & Events Assistant*  
Caitlin Schwager, *Office Manager & Development Assistant*  
Emily Wood, *Outreach Manager*  
Heather Kramer Hartshorn, *Graphic Designer*

\$25.00

**MassINC**  
RESEARCH. JOURNALISM. CIVIC LIFE.  
**10 YEARS**

18 Tremont Street, Suite 1120  
Boston, MA 02108

[www.massinc.org](http://www.massinc.org)

NONPROFIT ORG.  
U.S. POSTAGE  
PAID  
HOLLISTON, MA  
PERMIT NO. 72