

Employment Data Digest

AARP Public Policy Institute's monthly look at the latest employment numbers for people ages 55+

- The unemployment rate declined to 3.7 percent in September. Overall employment increased by 134,000 jobs, down from the 270,000 jobs added in August.
- The total labor force participation rate remained unchanged from August at 62.7 percent. For people ages 55 and older it decreased slightly to 40.1 percent.
- The unemployment rate for people ages 55 and older decreased to 2.8 percent. Among jobseekers ages 55 and older, 34.6 percent were long-term unemployed, compared with 21.3 percent of jobseekers ages 16 to 54.

Total Payroll Employment

In September, total nonfarm payroll employment increased by 134,000 jobs, a decrease from the 270,000 jobs added in August (revised up from 201,000). The unemployment rate declined to 3.7 percent. Jobs were added in professional and business services, health care, and transportation, and warehousing. There were 36.5 million people ages 55+ employed in September, unchanged from August.

Labor Force Participation

The labor force participation rate is the percentage of the population that is either employed or unemployed (i.e., either working or actively seeking work). Though the labor force participation rates of those ages 16 to 24 and 25 to 54 are below the rates of December 2007, the beginning of the Great Recession, the rate for those ages 55+ is higher than it was at that time. The labor force participation rate for those ages 55+ was 40.1 percent in September, down slightly from 40.2 percent in August.

TABLE 1
LABOR FORCE PARTICIPATION RATE BY AGE

	Dec 2007*	Sep 2017	Jun 2018	Jul 2018	Aug 2018	Sep 2018
Total, 16 years and over	66.0%	63.0%	62.9%	62.9%	62.7%	62.7%
16 to 24 years	59.2%	56.2%	55.4%	55.5%	53.8%	55.0%
25 to 54 years	83.1%	81.8%	82.0%	82.1%	82.0%	81.8%
55 and over	38.9%	40.1%	40.1%	40.1%	40.2%	40.1%

Source: U.S. Department of Labor, Bureau of Labor Statistics. Labor force statistics from the Current Population Survey. Seasonally adjusted. *Beginning of recession, which officially ended in June 2009.

Employment Rate

The employment rate (sometimes called the employment-to-population ratio) refers to the proportion of the civilian non-institutional population that is employed. A year-over-year comparison shows that the employment rate for individuals ages 25 to 54 is now nearing pre-recession levels. The rate for the 55+ age group has increased since the recession. In September the employment rate for people ages 55+ was 38.9 percent.

TABLE 2
EMPLOYMENT RATE

	Dec 2007*	Sep 2010	Sep 2011	Sep 2012	Sep 2013	Sep 2014	Sep 2015	Sep 2016	Sep 2017	Sep 2018
25 to 54 years	79.7%	75.1%	74.9%	76.0%	76.0%	76.8%	77.2%	78.0%	78.9%	79.3%
55 years and over	37.7%	37.6%	37.9%	38.1%	38.0%	38.3%	38.2%	38.6%	38.9%	38.9%

Source: U.S. Department of Labor, Bureau of Labor Statistics. Seasonally adjusted. *Beginning of recession, which officially ended in June 2009.

Unemployment Rate

The unemployed are individuals ages 16 and older who were not employed during the survey reference week, but were available for work, and had made efforts to find employment sometime during the four-week period ending with the reference week. The unemployment rate is the number of people unemployed as a percentage of the labor force. In September, the unemployment rate for people ages 55+ decreased to 2.8 percent—2.9 percent for men and 2.8 percent for women.

TABLE 3
UNEMPLOYMENT RATE

	Dec 2007*	Sep 2017	Jun 2018	Jul 2018	Aug 2018	Sep 2018
Total, 16 years and over	5.0%	4.2%	4.0%	3.9%	3.9%	3.7%
Total, 55 years and over	3.2%	3.2%	3.1%	3.1%	3.1%	2.8%
Men, 55 years and over	3.2%	3.1%	3.2%	3.1%	3.0%	2.9%
Women, 55 years and over	3.3%	3.4%	3.0%	3.0%	3.1%	2.8%

Source: U.S. Department of Labor, Bureau of Labor Statistics. Current Population Survey data. Seasonally adjusted. *Beginning of recession, which officially ended in June 2009.

Duration of Unemployment

The duration of unemployment refers to the length of time in weeks that individuals classified as unemployed have been looking for work. The median duration of unemployment refers to the midpoint of duration of unemployment, below and above which there is an equal number of observations. As shown in Table 4, at ages 45 and over, average durations of unemployment are longer compared with younger age groups. In September, the average time spent looking for work among the unemployed was 39.2 weeks for people ages 55 to 64 and 39.6 weeks for people ages 65 and over.

TABLE 4
DURATION OF UNEMPLOYMENT

	September 2018							
	Unemployed (numbers in thousands)						Weeks of unemployment	
	Total	Less than 5 weeks	5 to 14 weeks	15 weeks and over			Average (mean) duration	Median duration
				Total	15 to 26 weeks	27 weeks and over		
Total, 16 years and over	5,766	2,043	1,566	2,157	790	1,366	24.7	9.4
16 to 19 years	686	349	208	129	67	61	10.7	4.4
20 to 24 years	1,029	445	288	296	146	149	15.4	7.2
25 to 34 years	1,234	414	338	482	183	300	23.0	10.0
35 to 44 years	945	309	280	356	136	220	25.0	9.5
45 to 54 years	832	182	250	400	124	276	31.8	13.8
55 to 64 years	688	206	145	337	99	238	39.2	14.0
65 years and over	352	137	57	157	35	122	39.6	10.7

Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted.

TABLE 5
MEDIAN DURATION OF UNEMPLOYMENT BY AGE (WEEKS)

	Dec 2007*	Sep 2010	Sep 2011	Sep 2012	Sep 2013	Sep 2014	Sep 2015	Sep 2016	Sep 2017	Sep 2018
20 years and over	8.6	23.0	25.8	21.2	18.3	14.4	12.0	10.7	11.0	10.0
55 to 64 years	10.8	33.5	43.0	33.4	32.9	20.3	16.9	17.0	16.5	14.0
65 years and over	7.4	27.4	43.8	37.6	18.3	20.6	10.2	10.3	11.7	10.7

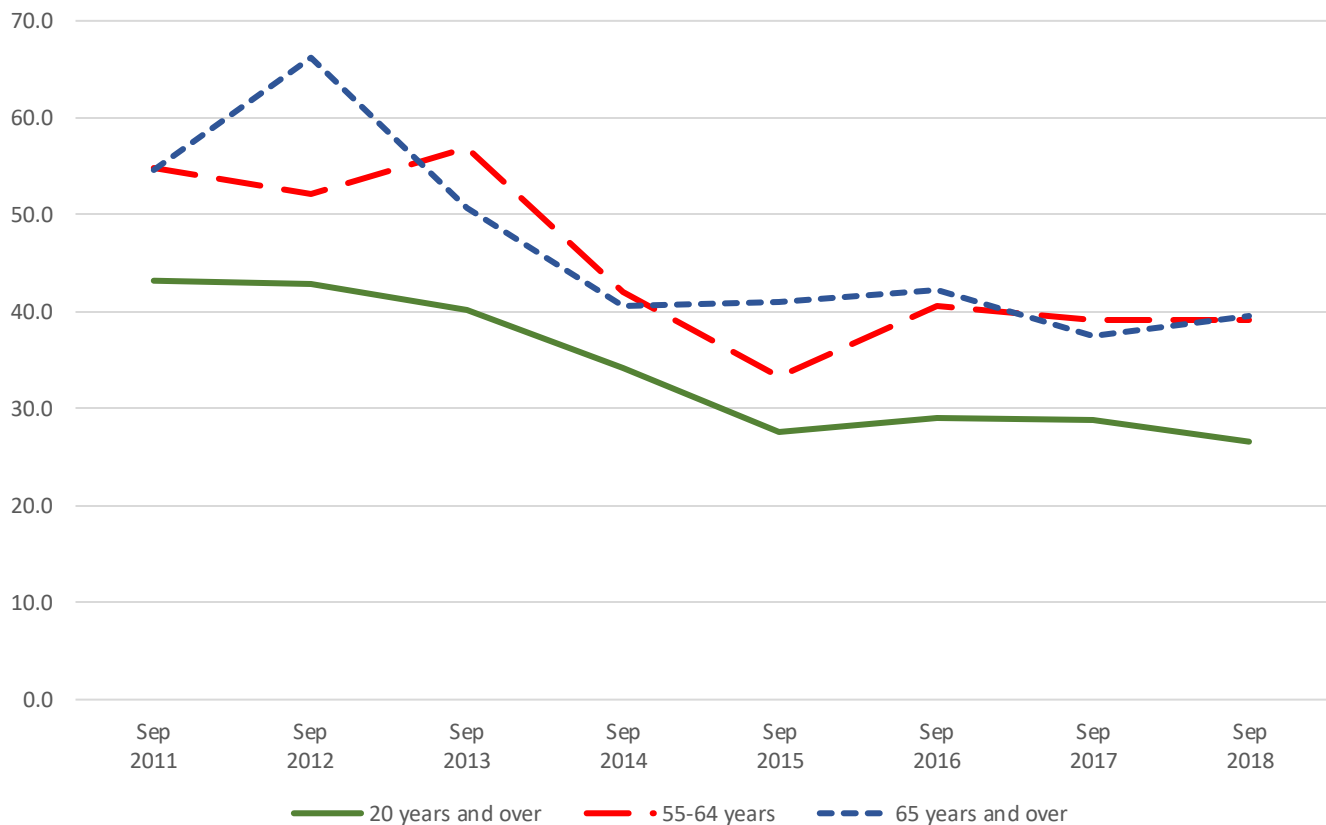
Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. *Beginning of recession, which officially ended in June 2009.

TABLE 6
AVERAGE DURATION OF UNEMPLOYMENT BY AGE (WEEKS)

	Sep 2011	Sep 2012	Sep 2013	Sep 2014	Sep 2015	Sep 2016	Sep 2017	Sep 2018
20 years and over	43.2	42.9	40.1	34.2	27.7	29.0	28.9	26.6
55 to 64 years	54.8	52.1	56.9	42.1	33.3	40.5	39.2	39.2
65 years and over	54.7	66.2	50.6	40.6	41.0	42.3	37.5	39.6

Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted.

FIGURE 1
AVERAGE DURATION OF UNEMPLOYMENT BY AGE: YEAR-OVER-YEAR COMPARISON (WEEKS)



Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted.

Long-Term Unemployment

The long-term unemployed are individuals who have been looking for work for 27 weeks or more. Jobseekers ages 55 and older are more likely to experience long-term unemployment compared with younger jobseekers. In September 2018, 34.6 percent of jobseekers ages 55 and older were long-term unemployed compared with 21.3 percent of jobseekers in the 16 to 54 age group.

**TABLE 7
LONG-TERM UNEMPLOYMENT**

September 2018			
Age (years)	Total unemployed (thousands)	Number unemployed 27 weeks and over (thousands)	Long-term unemployed (%)
Ages 16 to 54	4,726	1,006	21.3%
Ages 55 and over	1,040	360	34.6%

Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. Note: Because the long-term unemployed are a small subset of the overall CPS data population, please use caution when using data and expect fluctuations in estimates from month-to-month.

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