

Employment Data Digest

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

- In August, the economy added 201,000 jobs, up from 147,000 jobs added in July. The unemployment rate remained at 3.9 percent.
- The total labor force participation rate declined in August to 62.7 percent. For people ages 55 and older it increased slightly to 40.2 percent.
- The unemployment rate for people ages 55+ remained at 3.1 percent for the third consecutive month. Among jobseekers ages 55+, 29.5 percent were looking for work for 27 weeks or more, and therefore considered long-term unemployed. This compared with 19.1 percent of jobseekers ages 16 to 54.

Total Payroll Employment

In August, total nonfarm payroll employment increased by 201,000 jobs, an increase from the 147,000 jobs added in July (revised down from 157,000). The unemployment rate remained at 3.9 percent. Jobs were added in professional and business services, health care, wholesale trade, transportation and warehousing, and mining. There were 36.5 million people ages 55+ employed in 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). 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. Meanwhile, the rate for those ages 55+ is higher than it was at that time. The labor force participation rate for those ages 55+ was 40.2 percent in August, up from 40.1 percent in July.

TABLE 1
LABOR FORCE PARTICIPATION RATE BY AGE

	Dec 2007*	Aug 2017	May 2018	Jun 2018	Jul 2018	Aug 2018
Total, 16 years and over	66.0%	62.9%	62.7%	62.9%	62.9%	62.7%
16 to 24 years	59.2%	55.7%	55.1%	55.4%	55.5%	53.8%
25 to 54 years	83.1%	81.6%	81.8%	82.0%	82.1%	82.0%
55 and over	38.9%	40.1%	40.1%	40.1%	40.1%	40.2%

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 August the employment rate for people ages 55+ was 38.9 percent.

TABLE 2
EMPLOYMENT RATE

	Dec 2007*	Aug 2010	Aug 2011	Aug 2012	Aug 2013	Aug 2014	Aug 2015	Aug 2016	Aug 2017	Aug 2018
25 to 54 years	79.7%	75.0%	75.1%	75.7%	76.0%	76.8%	77.2%	77.8%	78.4%	79.3%
55 years and over	37.7%	37.5%	37.6%	38.1%	38.4%	38.1%	38.2%	38.5%	38.8%	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 August, the unemployment rate for people ages 55+ was unchanged for the third consecutive month at 3.1 percent—3.0 percent for men and 3.1 percent for women.

TABLE 3
UNEMPLOYMENT RATE

	Dec 2007*	Aug 2017	May 2018	Jun 2018	Jul 2018	Aug 2018
Total, 16 years and over	5.0%	4.4%	3.8%	4.0%	3.9%	3.9%
Total, 55 years and over	3.2%	3.2%	2.8%	3.1%	3.1%	3.1%
Men, 55 years and over	3.2%	3.2%	3.0%	3.2%	3.1%	3.0%
Women, 55 years and over	3.3%	3.1%	2.7%	3.0%	3.0%	3.1%

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 usually longer compared with younger age groups. In August, the average time spent looking for work among the unemployed was 34.5 weeks for people ages 55 to 64 and 29.8 weeks for people ages 65 and over.

TABLE 4
UNEMPLOYMENT BY AGE

	August 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	6,370	2,183	2,037	2,149	809	1,341	22.2	9.0
16 to 19 years	737	310	295	132	60	73	11.6	6.1
20 to 24 years	983	374	327	283	139	144	16.4	8.2
25 to 34 years	1,575	555	488	532	228	304	18.9	9.0
35 to 44 years	979	330	279	370	144	226	24.4	10.3
45 to 54 years	908	297	262	350	104	245	25.9	9.7
55 to 64 years	810	193	269	348	97	251	34.5	12.1
65 years and over	378	125	118	135	37	99	29.8	9.3

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

TABLE 5
MEDIAN DURATION OF UNEMPLOYMENT BY AGE (WEEKS)

	Dec 2007*	Aug 2010	Aug 2011	Aug 2012	Aug 2013	Aug 2014	Aug 2015	Aug 2016	Aug 2017	Aug 2018
20 years and over	8.6	22.3	22.9	20.0	18.2	13.1	12.0	10.8	10.7	9.5
55 to 64 years	10.8	28.1	30.8	26.7	26.2	16.9	16.5	12.9	13.2	12.1
65 years and over	7.4	24.0	38.2	36.7	16.6	20.4	12.8	12.9	10.0	9.3

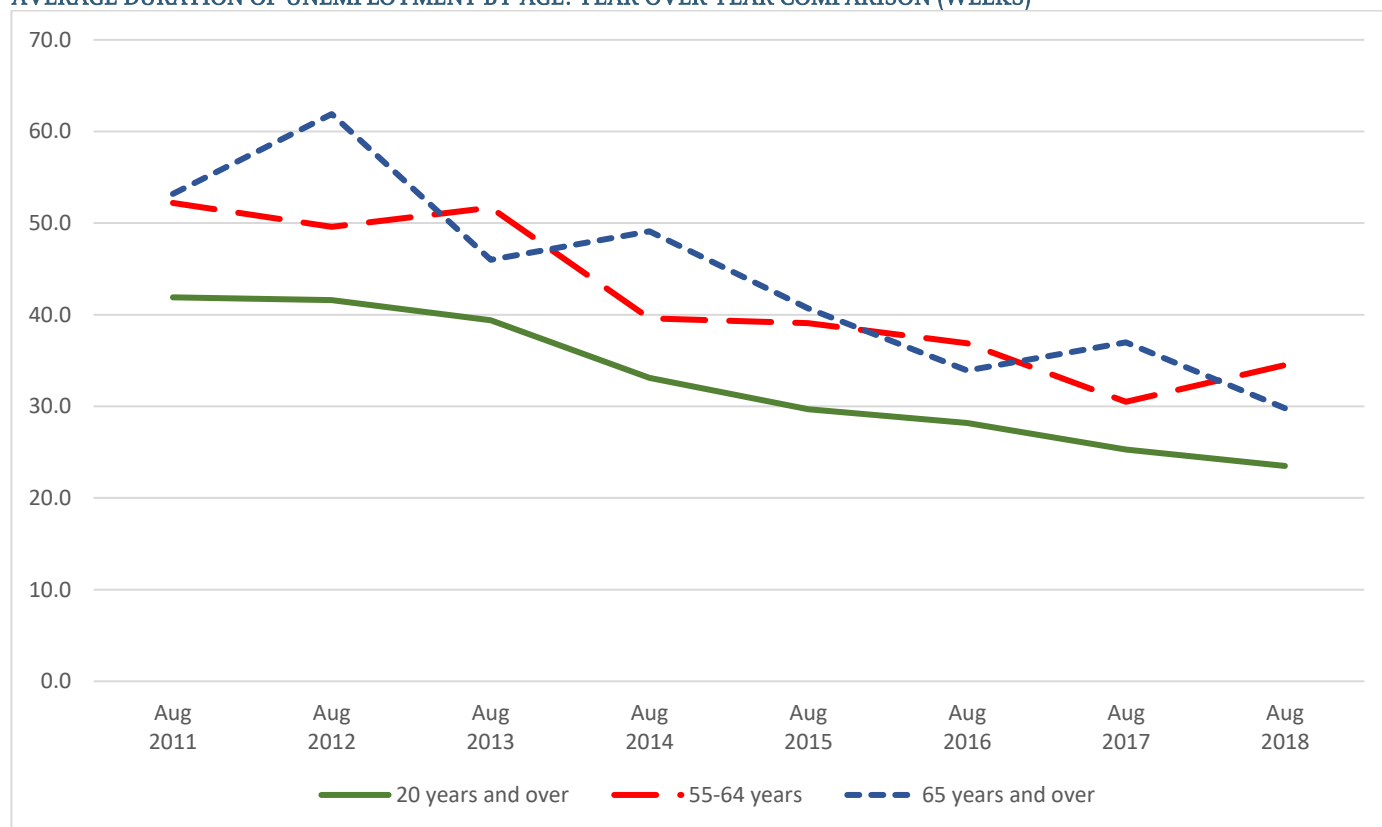
Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. *Beginning of recession, which officially ended in June 2009.

TABLE 6
AVERAGE DURATION OF UNEMPLOYMENT BY AGE (WEEKS)

	Aug 2011	Aug 2012	Aug 2013	Aug 2014	Aug 2015	Aug 2016	Aug 2017	Aug 2018
20 years and over	41.9	41.6	39.4	33.1	29.7	28.2	25.3	23.5
55 to 64 years	52.2	49.6	51.7	39.6	39.1	36.9	30.5	34.5
65 years and over	53.2	61.9	46.0	49.1	40.7	33.9	37.0	29.8

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 August 2018, 29.5 percent of jobseekers ages 55 and older were long-term unemployed compared with 19.1 percent of jobseekers in the 16 to 54 age group.

TABLE 7
LONG-TERM UNEMPLOYMENT

August 2018			
Age (years)	Total unemployed (thousands)	Number unemployed 27 weeks and over (thousands)	Long-term unemployed (%)
Ages 16 to 54	5,182	992	19.1%
Ages 55 and over	1,188	350	29.5%

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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601 E Street NW
Washington, DC 20049

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Written by Jen Schramm, AARP Public Policy Institute.