

Employment Data Digest

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

- The economy added 136,000 jobs in September, down from the 168,000 jobs added in August. The unemployment rate declined to 3.5 percent.
- The unemployment rate for people ages 55 and older edged down from 2.6 to 2.4 percent.
- The total labor force participation rate held steady at 63.2 percent. The labor force participation rate for people ages 55 was also unchanged at 40.3 percent.
- Among jobseekers ages 55+, 33.6 percent were long-term unemployed in September, compared with 22.3 percent of jobseekers ages 16 to 54.

Total Payroll Employment

Total nonfarm employment increased in September, with 136,000 jobs added, a decline from the 168,000 jobs added in August (revised up from +130,000). The unemployment rate declined to 3.5 percent. Jobs were added in health care and in professional and business services. The number of people ages 55+ employed in September edged up to 37.6 million.

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). In September, the total labor force participation rate remained at 63.2 percent, and at 40.3 percent for the 55+. While the labor force participation rates of those ages 16 to 24 and 25 to 54 have decreased slightly since the beginning of the Great Recession, the rate for those ages 55+ has increased.

TABLE 1
Labor Force Participation Rate by Age

Age	Dec 2007*	Sep 2018	Jun 2019	Jul 2019	Aug 2019	Sep 2019
Total, 16 years and over	66.0%	62.7%	62.9%	63.0%	63.2%	63.2%
16 to 24 years	59.2%	55.0%	56.1%	56.4%	55.8%	56.1%
25 to 54 years	83.1%	81.8%	82.2%	82.0%	82.6%	82.6%
55 and over	38.9%	40.1%	40.0%	40.5%	40.3%	40.3%

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 slightly above pre-recession levels. The rate for those ages 55+ is also above its pre-recession level and was 39.3 percent in September.

TABLE 2
Employment Rate

Age	Dec 2007*	Sep 2011	Sep 2012	Sep 2013	Sep 2014	Sep 2015	Sep 2016	Sep 2017	Sep 2018	Sep 2019
25 to 54 years	79.7%	74.9%	76.0%	76.0%	76.8%	77.2%	78.0%	78.9%	79.3%	80.1%
55 years and over	37.7%	37.9%	38.1%	38.0%	38.3%	38.2%	38.6%	38.9%	39.0%	39.3%

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 overall unemployment rate declined from 3.7 percent to 3.5 percent. The unemployment rate for people ages 55 and older decreased from 2.6 percent to 2.4 percent and was 2.3 percent for men ages 55+ and 2.6 percent for women ages 55+.

TABLE 3
Unemployment Rate

Gender/Age	Dec 2007*	Sep 2018	Jun 2019	Jul 2019	Aug 2019	Sep 2019
Total, 16 years and over	5.0%	3.7%	3.7%	3.7%	3.7%	3.5%
Total, 55 years and over	3.2%	2.8%	3.0%	2.7%	2.6%	2.4%
Men 55+	3.2%	2.9%	2.7%	2.5%	2.4%	2.3%
Women 55+	3.3%	2.8%	3.3%	2.9%	2.8%	2.6%

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 that individuals classified as unemployed have been looking for work. The median duration of unemployment refers to the midpoint of unemployment, below and above which there is an equal number of observations. Average durations of unemployment for those ages 45 and over are usually longer than the durations experienced by younger age groups. In September, the average duration of unemployment was 30.5 weeks for those ages 45 to 54, 30.7 weeks for those ages 55 to 64, and 23.5 weeks for those ages 65 and over.

TABLE 4
Duration of Unemployment by Age, September 2019

Age	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	5,465	1,820	1,588	2,057	737	1,320	23.0	9.8
16 to 19 years	680	327	199	154	78	76	12.9	5.0
20 to 24 years	945	357	311	276	108	168	16.8	8.1
25 to 34 years	1,228	412	348	467	150	317	25.8	10.4
35 to 44 years	857	256	255	346	155	192	20.1	10.5
45 to 54 years	855	236	239	379	115	264	30.5	12.0
55 to 64 years	640	144	143	352	113	239	30.7	17.7
65 years and over	260	87	92	81	18	63	23.5	8.5

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

TABLE 5
Median Duration of Unemployment by Age (*weeks*)

Age	Dec 2007*	Sep 2011	Sep 2012	Sep 2013	Sep 2014	Sep 2015	Sep 2016	Sep 2017	Sep 2018	Sep 2019
20 years and over	8.6	25.8	21.2	18.3	14.4	12.0	10.7	11.0	10.0	10.3
55 to 64 years	10.8	43.0	33.4	32.9	20.3	16.9	17.0	16.5	14.0	17.7
65 years and over	7.4	43.8	37.6	18.3	20.6	10.2	10.3	11.7	10.7	8.5

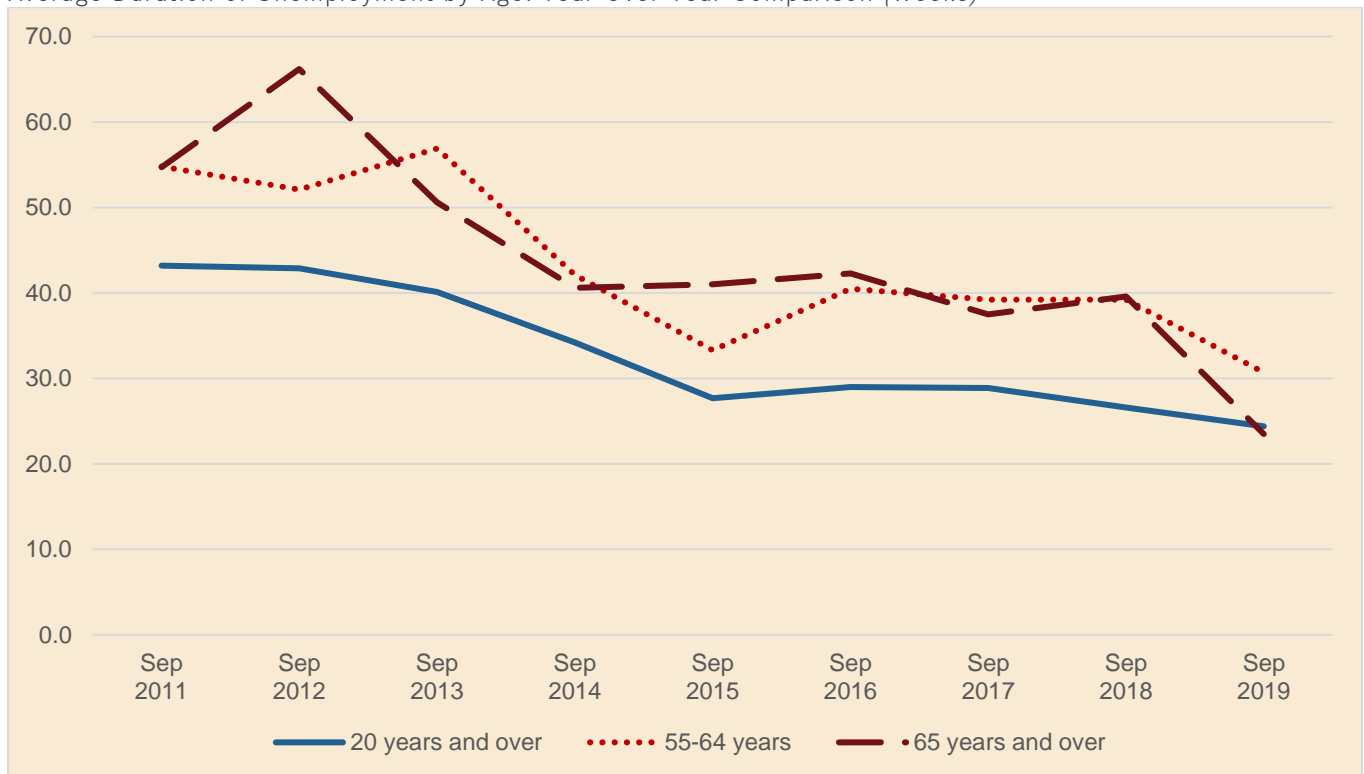
Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. * Beginning of recession, which officially ended in June 2009.

TABLE 6
Average Duration of Unemployment by Age (*weeks*)

Age	Sep 2011	Sep 2012	Sep 2013	Sep 2014	Sep 2015	Sep 2016	Sep 2017	Sep 2018	Sep 2019
20 years and over	43.2	42.9	40.1	34.2	27.7	29.0	28.9	26.6	24.4
55 to 64 years	54.8	52.1	56.9	42.1	33.3	40.5	39.2	39.2	30.7
65 years and over	54.7	66.2	50.6	40.6	41.0	42.3	37.5	39.6	23.5

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. Generally, jobseekers ages 55+ are more likely to experience long-term unemployment compared with younger jobseekers. In September 2019, 33.6 percent of jobseekers ages 55+ were long-term unemployed compared with 22.3 percent of jobseekers in the 16 to 54 age group.

TABLE 7
Long-term Unemployment by Age, September 2019

Age (years)	Total Unemployed (thousands)	Number Unemployed 27 Weeks and over (thousands)	Long Term Unemployed (%)
Ages 16 to 54	4,565	1,017	22.3%
Ages 55 and over	900	302	33.6%

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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