

Fact Sheet

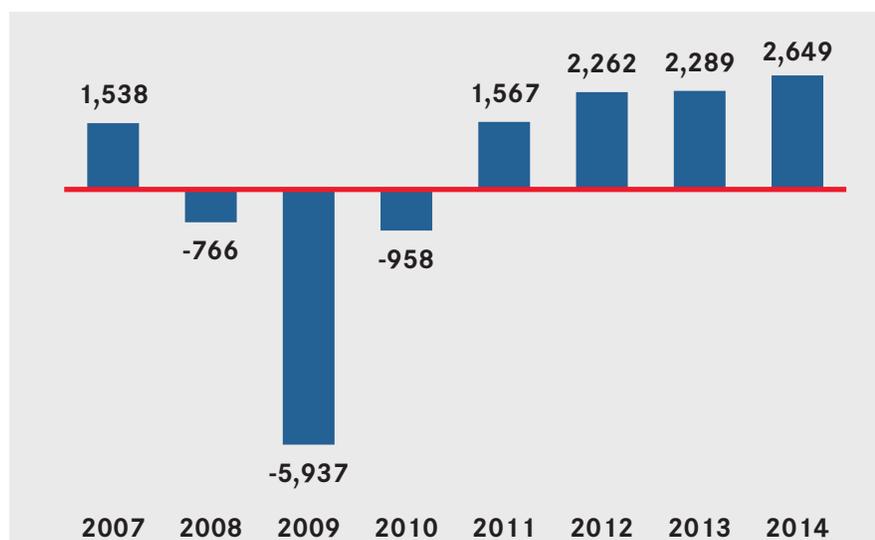
The Employment Situation, March 2015: Employment Growth Slows¹

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Overview²

Nonfarm payroll employment increased by 126,000 in March, well below that of recent months (264,000 in February and 201,000 in January, for example).³ For almost every month in 2014, employment growth exceeded 200,000. The economy has seen employment growth each year since 2011, after substantial losses during and just after the Great Recession (figure 1). As of March 2015, nonfarm payroll employment was an estimated 2.8 million higher than at the onset of the recession in December 2007.

FIGURE 1
Change in Nonfarm Employment, 2007-2014
(numbers in thousands)



Source: BLS, Total nonfarm employment from the Current Employment Statistics Survey (national), annual averages, at <http://data.bls.gov/pdq/querytool.jsp?survey=ce>. Accessed on April 3, 2015. These numbers are from BLS's establishment survey and will not be identical to data from the household survey.

- ✓ After more than a year of employment growth generally exceeding 200,000 per month, nonfarm payroll employment increased by only 126,000 in March.
- ✓ The number of employed people ages 55 and older rose by about 1 percent, while the proportion with jobs in March (38.3 percent) was up somewhat from February (38 percent).
- ✓ The unemployment rate for the older workforce fell to 3.9 percent in March from 4.3 percent in February and from 4.7 percent 1 year earlier.
- ✓ The average duration of unemployment for older jobseekers rose slightly from 42.5 weeks to 43.4 weeks between February and March but was lower than it had been in March 2014 (47.7 weeks).



Real Possibilities

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One of the most closely watched labor force indicators is the unemployment rate, which was 5.5 percent for the total workforce in March (table 1; figure 2), a figure unchanged from February but over a percentage point lower than a year earlier. It was also much lower than it was during much of the recession and sluggish recovery that followed. In October 2009, the unemployment rate for the ages 16-plus workforce was 10 percent, higher than any year since the early 1980s, when it exceeded 10 percent for several months.

At 3.9 percent, the March unemployment rate for the older workforce was lower than it was in February (4.3 percent) or in March 2014 (4.7 percent). The rate fell for older women and men. As of March 2015, about 1.4 million people ages 55 and older were not working but looking for a job, nearly 125,000 fewer than the month before.

Labor Force Participation, Employment, and Unemployment in the Older Population

Although somewhat higher than at the start of the recession, the labor force participation rate of 39.9 percent for older Americans has changed little over the past year (table 2). It reached a high of 40.7 percent in the final months of 2012 and in January 2013 before dipping downward. The proportion employed, however, was slightly higher in March than in February or a year earlier (38.3 percent in March versus 38 percent in February 2015 and also in March 2014). Overall, however,

TABLE 1
Unemployment Rate for the Labor Force Ages 16-Plus and 55-Plus, March 2014, February 2015, and March 2015

Sex	Age	Unemployment Rate		
		March 2014	February 2015	March 2015
Total	16+	6.6%	5.5%	5.5%
	55+	4.7%	4.3%	3.9%
Men	55+	4.7%	4.6%	4.1%
Women	55+	4.6%	4.0%	3.7%

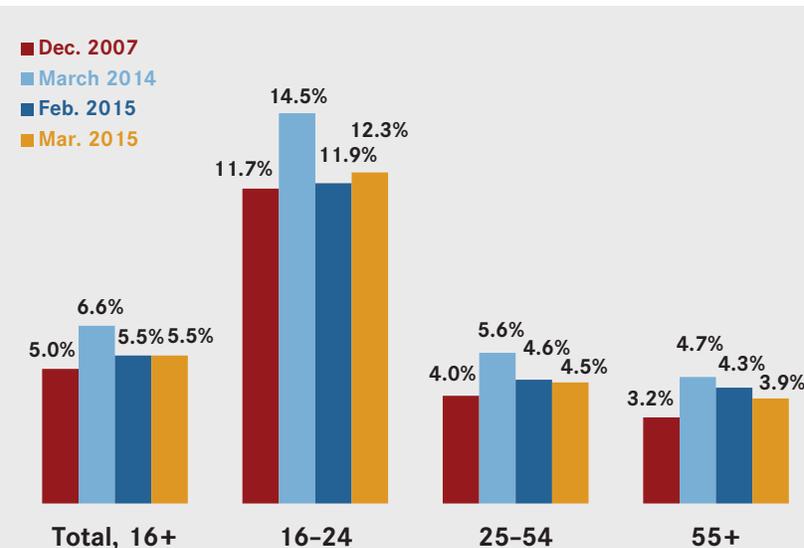
Source: U.S. Department of Labor (USDOL), Bureau of Labor Statistics (BLS), The Employment Situation—March 2015, *USDOL-15-0530* (Washington, DC: BLS, April 3, 2015) at <http://www.bls.gov/news.release/pdf/empsit.pdf>.

this rate has fluctuated only slightly over the past several years. In contrast, the percentage employed at younger age groups remains below what it was at the start of the recession but has risen recently.

Duration of Unemployment

At 43.4 weeks, the average duration of unemployment for older jobseekers was marginally higher in March than in February

FIGURE 2
Unemployment Rates by Age, December 2007, March 2014, February 2015, and March 2015



Source: BLS, *Labor Force Statistics from the Current Population Survey* (household survey data) at <http://data.bls.gov/pdq/querytool.jsp?survey=ln>. Accessed on April 3, 2015.

TABLE 2
**Selected Employment Indicators for Those Ages 55-Plus, December 2007, March 2014,
 February 2015, and March 2015** (seasonally adjusted unless otherwise noted)

Age	Indicator	December 2007	March 2014	February 2015	March 2015
55+	Population (in thousands)*	69,628	84,087	86,235	86,453
	Labor force (in thousands)	27,102	33,494	34,263	34,470
	Labor force participation rate (%)	38.9	39.8	39.7	39.9
	Employment (in thousands)	26,243	31,917	32,784	33,113
	Share of population employed (%)**	37.7	38.0	38.0	38.3
	Unemployed (in thousands)	859	1,577	1,479	1,356
	Unemployment rate (%)	3.2	4.7	4.3	3.9
	Not in labor force (in thousands)*	42,469	50,396	51,869	51,791
55-64*	Labor force participation rate (%)	64.1	64.3	63.8	64.1
	Share of population employed (%)**	62.2	61.1	60.9	61.4
	Unemployment rate (%)	3.0	5.0	4.5	4.2
	Not in labor force (in thousands)	11,849	14,097	14,596	14,501
65+*	Labor force participation rate (%)	16.3	18.5	18.9	19.1
	Share of population employed (%)**	15.8	17.7	18.0	18.4
	Unemployment rate (%)	3.3	4.3	4.6	3.7
	Not in labor force (in oos)	30,620	36,299	37,273	37,290

Source: BLS, Labor Force Statistics from the Current Population Survey (household survey data) at <http://data.bls.gov/pdq/querytool.jsp?survey=ln>. Accessed on April 3, 2015.

*Not seasonally adjusted.

**Employment-to-population ratio.

(42.5 weeks) but lower than in March 2014 (47.7 weeks) (table 3; figure 3).

The percentage of older jobseekers who could be classified as “long-term unemployed,” that is, out of work and looking for a job for 27 weeks or more, was also up somewhat from February (35.5 percent to 37.3 percent) but below March 2014’s 44.9 percent. At the outset of the last recession in December 2007, some 23 percent of older jobseekers were long-term unemployed. More than half of older jobseekers have experienced long-term unemployment at some point since December 2007.

A recent report from the AARP Public Policy Institute highlights the problems the older long-term unemployed experience compared with the older short-term unemployed.⁴ If they found work, they

were more likely than the short-term unemployed to end up with what might be considered less desirable jobs, such as lower earnings and more part-time work, for example.

Labor Force Withdrawal

Workers of all ages have endured unemployment, often lengthy, over the past 7-plus years. Job loss has propelled some of them, especially older workers, out of the labor force (table 4). Perhaps not surprisingly given their greater access to Social Security and other retirement benefits, displaced workers ages 65 and older are most likely to leave the labor force. Roughly half of displaced workers have left after losing their jobs over most of the periods examined by the Bureau of Labor Statistics, at least since 2006.⁵ An exception was 2008, when two-thirds left the labor force at some point during

TABLE 3

Duration of Unemployment among Younger and Older Jobseekers, March 2014, February 2015, and March 2015

Duration of Unemployment	Age	March 2014	February 2015	March 2015
Average Duration of Unemployment*	Under age 55	34.1 weeks	28.8 weeks	28.9 weeks
	55+	47.7 weeks	42.5 weeks	43.4 weeks
% Long-term Unemployed*	Under age 55	34.4%	29.3%	29.0%
	55+	44.9%	35.5%	37.3%

Source: Calculated from BLS, Labor Force Statistics, Table A-36 in Employment and Earnings Online at <http://www.bls.gov/web/empsit/cpseea36.pdf> and Employment and Earnings Online at <http://webcache.googleusercontent.com/search?q=cache:http://www.bls.gov/opub/ee/archive.htm>. Accessed on April 3, 2015.

*Not seasonally adjusted.

the 3-year period after displacement. Whether this was a data fluke or the result of a particularly discouraging job search before deciding to retire, or something else, is not known. A similar uptick is not evident in other age groups.

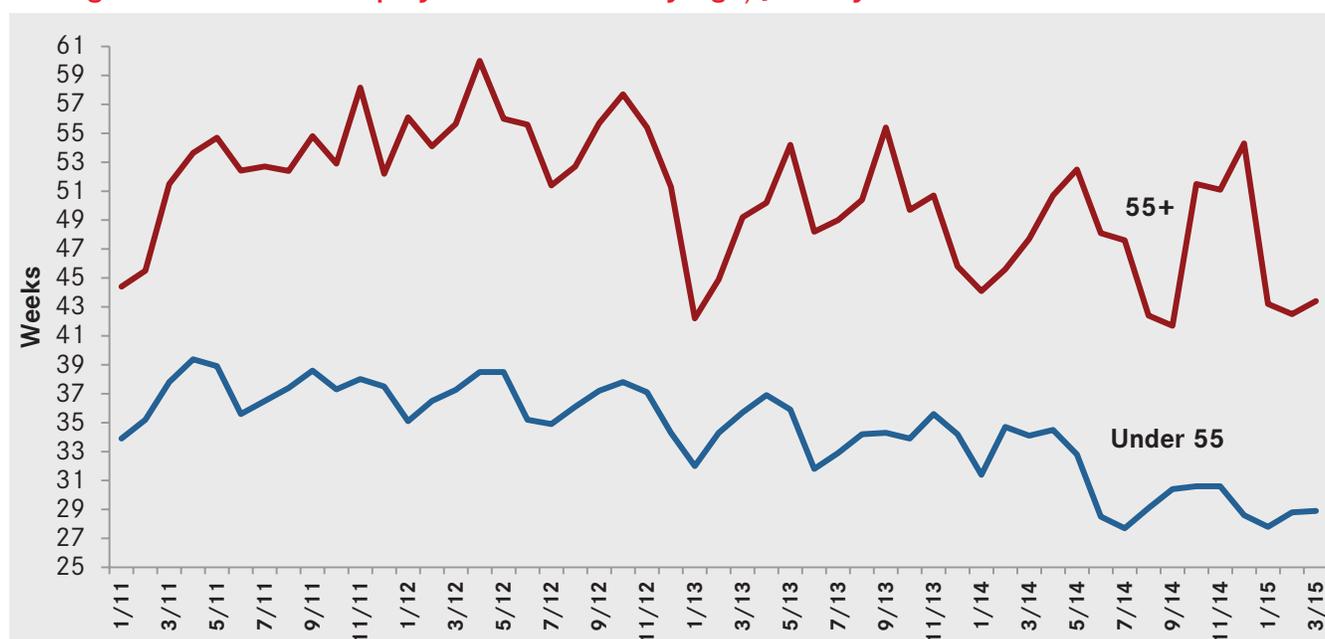
Labor force withdrawal is far less common among displaced older workers between the ages of 55 and

64; however, they, too, are also considerably more likely than prime-age workers (ages 25 to 54) to exit—approximately one-fifth since 2008.

In March, however, the number of older people not in the labor force fell slightly (by 78,000).

FIGURE 3

Average Duration of Unemployment in Weeks by Age, January 2011–March 2015



Source: Calculated from BLS, Labor Force Statistics, Table A-36 in Employment and Earnings Online at <http://www.bls.gov/opub/ee/archive.htm>.

Other Employment Indicators

- Some 3.6 percent of all older nonagricultural workers were working part time because of economic reasons (e.g., slack working conditions) in March, unchanged from February but below that for March 2014 (4.2 percent). These workers are often referred to as involuntary part-time workers. At the start of the recession, 2.4 percent fell into this category. Older women were slightly more likely than older men to be working part time for economic reasons (3.8 percent versus 3.4 percent in March).⁶
- The number of older, unincorporated, self-employed workers in nonagricultural industries was about 3 million in March, not much changed from February or a year earlier.⁷ These self-employed were 9.3 percent of the older nonagricultural workforce, compared with 9.2 percent in February and 9.6 percent in March 2014. This figure has fluctuated relatively little over the past several years. What has changed, however, is the percentage of these self-employed who are at least age 55—35 percent in March versus 29 percent at the start of the recession.
- Most older people who are out of the labor force say that they do not want a job (97 percent in March, a figure that has

TABLE 4
Displaced Workers No Longer in the Labor Force by Age, January 2006, 2008, 2010, 2012, and 2014*

Age	2006	2008	2010	2012	2014
Total, 20+	15.8%	14.2%	14.8%	15.7%	15.7%
20-24	16.5%	13.3%	17.6%	18.4%	11.1%
25-54	12.2%	11.0%	11.7%	11.9%	12.2%
55-64	26.1%	18.6%	20.5%	22.5%	22.7%
65+	55.8%	66.7%	46.7%	50.5%	54.7%

Source: Table 8 in BLS, “Worker Displacement,” 2003–2005, 2005–2007, 2007–2009, 2009–2011, and 2011–2013, News USDL-06-1454 (August 17, 2006); News USDL-08-1183 (August 20, 2008); News USDL-10-1174 (August 26, 2010); News USDL-12-1719 (August 24, 2012); and News USDL-14-1605 (August 26, 2014).

*Percentages refer to the January labor force status of workers who had been displaced from their jobs at some point in the previous 3 years (e.g., January 2011 through December 2013).

remained remarkably stable at least since the start of the Great Recession). The number of older people who were out of the labor force but interested in work was approximately 1.7 million in March, about 133,000 fewer than in February but 146,000 more than in March 2014.⁸ At 229,000, the number of older “discouraged” workers was up from what it was in February (197,000) and March 2014 (182,000).⁹ At the start of the recession, only 53,000 older people were classified as discouraged workers.

- About 4.5 percent of older workers held more than one job in March, compared with 4.5 percent in February and 4.8 percent in March 2014. The percentage of multiple job holders among older women and older men was similar—4.6 percent and 4.4 percent, respectively.

Table 5 highlights the indicators discussed in this section.

A Closer Look at the Older Workforce¹⁰

Workers and jobseekers ages 55 to 64 account for three-fourths of the older labor force. The labor force participation rate for this age group is nearly three and a half times higher than that for people ages 65 and older (64.1 percent versus 19.1 percent in March).

The share with jobs varies dramatically by age as well, with those ages 55 to 64 far more likely to be employed. As of March, 61.4 percent of those ages 55 to 64 and 18.4 percent of those ages 65 and older were employed.

TABLE 5

Selected Employment Indicators for Those Ages 55-Plus, December 2007, March 2014, February 2015, and March 2015

Indicator*	December 2007	March 2014	February 2015	March 2015
Working part time for economic reasons	2.4%	4.2%	3.6%	3.6%
Unincorporated self-employed	10.0%	9.6%	9.2%	9.3%
Want a job but out of labor force (in thousands)	826	1,562	1,841	1,708
Discouraged workers (in thousands)	53	182	197	229
Multiple jobholders	4.9%	4.8%	4.5%	4.5%

Source: Calculated from BLS, Labor Force Statistics, Tables A-22, A-27, A-38, and A-39 in Employment and Earnings Online at <http://www.bls.gov/opub/ee/archive.htm>.

*Not seasonally adjusted.

In March, both age groups were still more likely to be unemployed than they were at the start of the recession, but the unemployment rates were substantially below what they had been over much of the past 7 years. The March unemployment rates were 4.2 percent for the ages-55-to-64 workforce and 3.7 percent for those ages 65 and older.

Conclusion

Although March employment growth was disappointing compared with much of the past year, some employment indicators for the older population were looking up. The number and percentage of older workers increased between February and March; the unemployment rate for the ages-55-and-older workforce fell; and the number out of the labor force showed a slight decline. The employment and unemployment rates were also an improvement over what they were 1 year ago.

Once out of work, however, older workers, on average, continue to be jobless for a protracted period. Although average duration of unemployment rates and the proportion of long-term unemployed are improvements over levels they reached for long stretches in recent years, they are both above what they were at the start of the recession.¹¹ And if older workers do lose their jobs, they are more likely than their younger counterparts to drop out of the labor force.

NOTE: Caution is urged in interpreting month-to-month changes in some of the employment figures. Not all figures are seasonally adjusted, and the numbers can and do fluctuate substantially over the short term because of sampling error or the small number of individuals in a particular category who may have been interviewed. Numbers over a longer period (e.g., beginning to end of the recession) or annually adjusted figures generally provide a more reliable picture.

- 1 Unless otherwise specified, “older” in this Fact Sheet refers to people ages 55 and older. Employment and unemployment figures are seasonally adjusted unless otherwise noted.
- 2 Statistics in this Fact Sheet are from U.S. Department of Labor (USDOL), Bureau of Labor Statistics (BLS), *The Employment Situation—March 2015*, USDOL-15-0530 (Washington, DC: BLS, April 3, 2015) at <http://www.bls.gov/news.release/pdf/empst.pdf>; tables in BLS’s *Employment and Earnings Online*, various years, at <http://www.bls.gov/opub/ee/archive.htm>; BLS tables at <http://www.bls.gov/web/empst.supptoc.htm> and <http://data.bls.gov/pdq/querytool.jsp?survey=ce>; and BLS’s labor force statistics from the Current Population Survey at <http://data.bls.gov/pdq/querytool.jsp?survey=ln>. Some numbers in this Fact Sheet may differ from those reported in earlier Fact Sheets because of adjustments by BLS.
- 3 The figure for February is preliminary and may be revised. For example, On March 6, BLS reported employment growth of 295,000 for February. This number has been revised downward to 264,000.
- 4 Gary Koenig, Lori Trawinski, and Sara Rix, *The Long Road Back: Struggling to Find Work after Unemployment* (Washington, DC: AARP Public Policy Institute, March 2015) at http://www.aarp.org/content/dam/aarp/ppi/2015-03/The-Long-Road-Back_INSIGHT.pdf.
- 5 Table 8 in BLS, “Worker Displacement,” 2003–2005, 2005–2007, 2007–2009, 2009–2011, and 2011–2013, *News USDL-06-1454* (August 17, 2006); *News USDL-08-1183* (August 20, 2008); *News USDL-10-1174* (August 26, 2010); *News USDL-12-1719* (August 24, 2012); and *News USDL-14-1605* (August 26, 2014).
- 6 Data are not seasonally adjusted.
- 7 BLS publishes monthly self-employment figures only for unincorporated workers employed in their own business, profession, trade, or farm. (BLS regards incorporated self-employed workers as employees of a corporation and thus classifies them as wage and salary workers.) Self-employment figures are not seasonally adjusted.
- 8 Data in this section are not seasonally adjusted.
- 9 Discouraged workers are not looking for work because they believe that no work is available or that there are no jobs for which they would qualify (e.g., employers would find them too old, they lack the necessary schooling/training). They are a subset of the marginally employed (i.e., people who are not in the labor force who want a job and are available for work and who have searched for work during the prior 12 months but not in the prior 4 weeks). See BLS at <http://www.bls.gov/cps/lfcharacteristics.htm#discouraged>. The numbers on discouraged workers are not seasonally adjusted.
- 10 Data in this section are not seasonally adjusted.
- 11 In December 2007, 23 percent of older jobseekers could be classified as long-term unemployed. Recent average duration of unemployment figures cannot be compared with those at the start of the recession because of a change in top-coding by BLS. Comparable data go back only to January 2011 because that was when BLS changed its top coding of duration of unemployment from 2 years to 5 years in response to lengthening duration of unemployment. Before this change, any duration of unemployment greater than 2 years was coded as 2 years. See BLS, “Changes to Data Collected on Unemployment Duration,” at <http://www.bls.gov/cps/duration.htm>.

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