

Employment Data Digest

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

- In March 2017 the labor force participation rate for persons ages 55 and over was 40.1 percent, up slightly from the prior month.
- The labor force participation rate of workers ages 25 to 54 has decreased since the beginning of the recession. In March their total labor force participation rate was 81.7 percent, unchanged from the previous month but down from 83.1 percent in December 2007.
- Although less likely to be unemployed compared with younger age groups, jobseekers ages 55+ continued to experience longer average durations of unemployment in March, nearly 40 weeks.

Total Payroll Employment

In March total nonfarm payroll employment edged up by 98,000 jobs, and approximately 35.1 million people ages 55+ were employed. Employment was up in the professional and business services and mining industries. Meanwhile retail trade lost jobs.

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). While the labor force participation rate of those in the 16-to-24 and 25-to-54 age groups has decreased slightly since the beginning of the recession, the rate for those ages 55+ has gone up slightly, coming in at 40.1 percent in March 2017.

TABLE 1
LABOR FORCE PARTICIPATION RATE BY AGE

	DEC 2007*	MAR 2016	DEC 2016	JAN 2017	FEB 2017	MAR 2017
TOTAL 16 AND OVER	66.0%	63.0%	62.7%	62.9%	63.0%	63.0%
16 TO 24	59.2%	55.4%	55.2%	55.6%	55.8%	55.8%
25 TO 54	83.1%	81.4%	81.5%	81.5%	81.7%	81.7%
55 AND OVER	38.9%	40.1%	39.7%	39.9%	39.9%	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 25 to 54 trended down slightly since the beginning of the recession before rising again during the last few years. The rate of the 55+ age group has trended up slightly in that time period. In March 2017 the employment rate for people ages 55 and older was 38.7 percent.

TABLE 2
EMPLOYMENT RATE

	DEC 2007*	MAR 2009	MAR 2010	MAR 2011	MAR 2012	MAR 2013	MAR 2014	MAR 2015	MAR 2016	MAR 2017
25 TO 54 YEARS	79.7%	76.2%	75.1%	75.3%	75.7%	75.8%	76.6%	77.2%	78.0%	78.5%
55 YEARS AND OVER	37.7%	37.3%	37.4%	37.4%	37.9%	38.2%	38.0%	38.4%	38.6%	38.7%

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 16 years 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. Table 3 shows that those ages 55 and older have a slightly lower unemployment rate compared with the total workforce (3.4 vs. 4.5 percent). The rate was 3.4 percent for men ages 55 and above compared with 3.3 percent for women ages 55 and over in March 2017.

TABLE 3
UNEMPLOYMENT RATE 55+

	DEC 2007*	MAR 2016	DEC 2016	JAN 2017	FEB 2017	MAR 2017
TOTAL, 16 YEARS AND OVER	5.0%	5.0%	4.7%	4.8%	4.7%	4.5%
TOTAL AGES 55 AND OVER	3.2%	3.9%	3.6%	3.5%	3.4%	3.4%
MEN, 55 YEARS AND OVER	3.2%	3.9%	3.7%	3.3%	3.4%	3.4%
WOMEN, 55 YEARS AND OVER	3.3%	3.8%	3.6%	3.6%	3.5%	3.3%

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 are an equal number of observations. As shown in Table 4, jobseekers ages 45 and over have longer average and median durations of unemployment compared with individuals in other age categories. Jobseekers ages 55-64 have the longest average durations of unemployment – nearly 40 weeks – compared with other age groups. Jobseekers 65+ had an average duration of 38.3 weeks of unemployment.

TABLE 4
UNEMPLOYMENT BY AGE

	MARCH 2017							
	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	7,284	2,000	2,269	3,016	1,255	1,761	26.1	11.6
16 TO 19 YEARS	737	266	265	206	103	103	16.2	8.2
20 TO 24 YEARS	1,105	328	397	380	225	155	16.4	9.6
25 TO 34 YEARS	1,682	462	531	689	286	403	24.2	11.7
35 TO 44 YEARS	1,347	368	379	601	268	333	24.1	12.5
45 TO 54 YEARS	1,138	280	332	526	176	349	32.2	13.3
55 TO 64 YEARS	877	176	267	435	138	297	39.5	14.3
65 YEARS AND OVER	398	121	98	180	60	120	38.3	12.4

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

TABLE 5
MEDIAN DURATION OF UNEMPLOYMENT BY AGE (WEEKS)

	DEC 2007*	MAR 2009	MAR 2010	MAR 2011	MAR 2012	MAR 2013	MAR 2014	MAR 2015	MAR 2016	MAR 2017
20 YEARS AND OVER	8.6	13.4	22.3	24.1	21.6	20.3	18.3	14.0	13.2	12.1
55 TO 64 YEARS	10.8	14.8	27.9	35.0	32.7	27.9	25.0	16.4	17.6	14.3
65 YEARS AND OVER	7.4	13.4	29.0	29.5	23.6	26.5	19.3	16.3	10.5	12.4

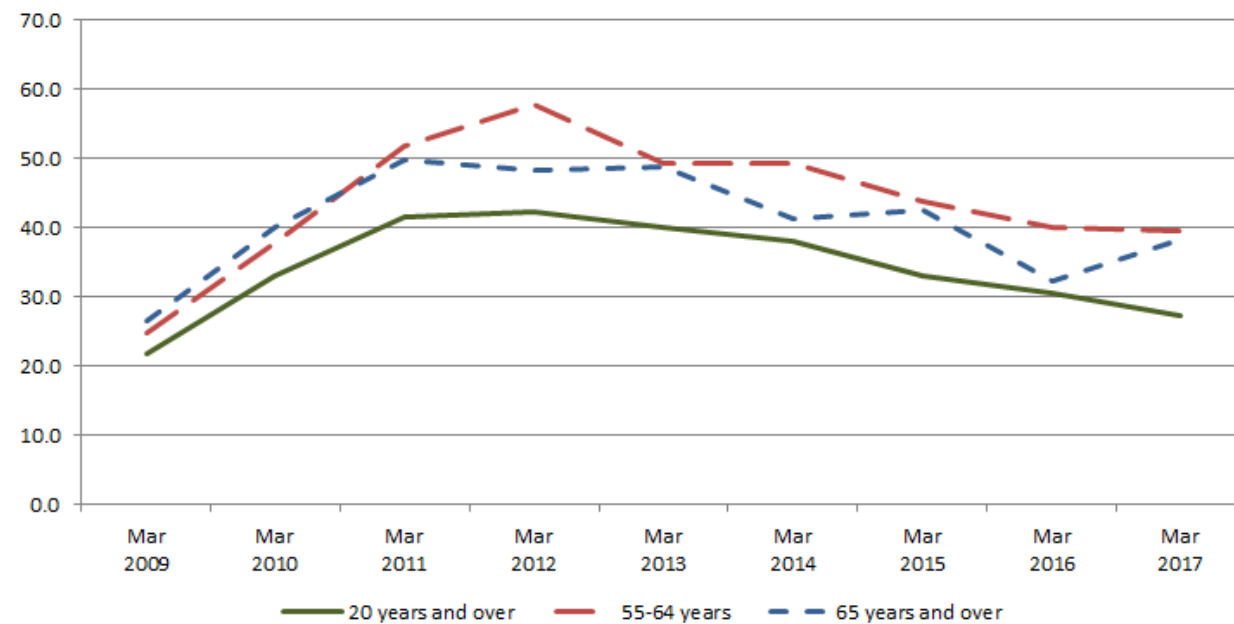
Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. *Beginning of recession, which officially ended in June 2009.

TABLE 6
AVERAGE DURATION OF UNEMPLOYMENT BY AGE (WEEKS)

	MAR 2011	MAR 2012	MAR 2013	MAR 2014	MAR 2015	MAR 2016	MAR 2017
20 YEARS AND OVER	41.5	42.3	40.0	38.1	33.0	30.5	27.2
55 TO 64 YEARS	51.9	57.7	49.3	49.4	43.7	40.0	39.5
65 YEARS AND OVER	49.9	48.3	48.8	41.4	42.6	32.2	38.3

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

Long-term unemployment refers to individuals who have been looking for work for 27 weeks or more. Jobseekers ages 55 and over are more likely to experience long-term unemployment compared with younger jobseekers. In March, 32.7 percent of jobseekers 55 and over were long-term unemployed compared with 22.3 percent of jobseekers in the 16-to-54 age group.

TABLE 7
LONG-TERM UNEMPLOYMENT, FEBRUARY 2017

AGE (YEARS)	TOTAL UNEMPLOYED (THOUSANDS)	NUMBER UNEMPLOYED 27 WEEKS AND OVER (THOUSANDS)	LONG-TERM UNEMPLOYED (%)
AGES 16-54	6,009	1,343	22.3%
AGES 55 AND OVER	1,275	417	32.7%

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

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