

Employment Data Digest

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

- The labor force participation rate for people ages 55 and older was 40.1 percent in July 2017, unchanged from June.
- The overall unemployment rate was 4.3 percent in July 2017. The unemployment rate for those ages 55+ was 3.2 percent overall, and was 2.9 percent for men and 3.4 percent for women ages 55+.
- Average duration of unemployment for jobseekers increases with age. In July it was 30.6 weeks for jobseekers ages 55 to 64 and 37.8 weeks for jobseekers ages 65 and over.

Total Payroll Employment

In July total nonfarm payroll employment increased by 209,000 jobs, down from 231,000 (revised) in June. The unemployment rate was 4.3 percent. Jobs were added primarily in food services, professional and business services, and health care. Approximately 35.4 million people ages 55+ were employed in July.

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 have decreased since December 2007, the beginning of the Great Recession. The rate for those ages 55+ has increased slightly in the same time frame. In July 2017 it was 40.1 percent, unchanged from June.

TABLE 1
LABOR FORCE PARTICIPATION RATE BY AGE

	DEC 2007*	JULY 2016	APR 2017	MAY 2017	JUNE 2017	JULY 2017
TOTAL, 16 YEARS AND OVER	66.0%	62.8%	62.9%	62.7%	62.8%	62.9%
16 TO 24 YEARS	59.2%	54.9%	55.9%	55.1%	55.4%	55.5%
25 TO 54 YEARS	83.1%	81.3%	81.7%	81.5%	81.6%	81.8%
55 AND OVER	38.9%	40.3%	39.9%	39.9%	40.1%	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 went down during and after the recession but began rising during the last few years. Meanwhile, the rate for the 55+ age group held steady and has gone up slightly in recent years. In July 2017 the employment rate for people ages 55 and older was 38.8 percent.

TABLE 2
EMPLOYMENT RATE

	DEC 2007*	JULY 2009	JULY 2010	JULY 2011	JULY 2012	JULY 2013	JULY 2014	JULY 2015	JULY 2016	JULY 2017
25 TO 54 YEARS	79.7%	75.8%	75.1%	75.0%	75.6%	76.0%	76.7%	77.1%	78.0%	78.7%
55 YEARS AND OVER	37.7%	37.3%	37.6%	37.5%	37.7%	38.2%	38.3%	38.6%	38.8%	38.8%

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. Table 3 shows that those ages 55 and older had a lower unemployment rate (3.2 percent) in July compared with the total workforce (4.3 percent). For those ages 55+ in July the unemployment rate was 2.9 percent for men and 3.4 percent for women.

TABLE 3
UNEMPLOYMENT RATE 55+

	DEC 2007*	JULY 2016	APR 2017	MAY 2017	JUNE 2017	JULY 2017
TOTAL, 16 YEARS AND OVER	5.0%	4.9%	4.4%	4.3%	4.4%	4.3%
TOTAL, 55 YEARS AND OVER	3.2%	3.7%	3.2%	3.1%	3.2%	3.2%
MEN, 55 YEARS AND OVER	3.2%	3.8%	3.2%	2.9%	3.0%	2.9%
WOMEN, 55 YEARS AND OVER	3.3%	3.4%	3.2%	3.4%	3.4%	3.4%

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. As shown in Table 4, at ages 55 and over jobseekers tend to have longer average and median durations of unemployment compared with individuals in younger age groups. Jobseekers ages 65 and over often have the longest durations of unemployment compared with other age groups. In July 2017 the average was 30.6 weeks for people ages 55 to 64 and 37.8 weeks for people ages 65 and older.

TABLE 4
UNEMPLOYMENT BY AGE

	JULY 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	7,441	2,364	2,432	2,645	843	1,802	23.6	9.1
16 TO 19 YEARS	974	385	381	209	74	134	13.8	6.6
20 TO 24 YEARS	1,243	394	460	388	135	253	20.2	8.8
25 TO 34 YEARS	1,697	522	573	602	210	392	22.6	9.6
35 TO 44 YEARS	1,192	364	384	444	136	308	26.8	9.4
45 TO 54 YEARS	1,112	360	294	458	145	314	24.4	10.3
55 TO 64 YEARS	912	247	260	406	114	291	30.6	11.0
65 YEARS AND OVER	311	91	81	139	28	111	37.8	12.3

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

TABLE 5
MEDIAN DURATION OF UNEMPLOYMENT BY AGE (WEEKS)

	DEC 2007*	JULY 2009	JULY 2010	JULY 2011	JULY 2012	JULY 2013	JULY 2014	JULY 2015	JULY 2016	JULY 2017
20 YEARS AND OVER	8.6	16.9	23.7	23.2	19.1	17.5	13.0	10.0	10.2	9.7
55 TO 64 YEARS	10.8	19.3	31.2	31.0	26.4	22.3	18.8	13.6	11.9	11.0
65 YEARS AND OVER	7.4	18.2	26.9	46.9	37.4	28.9	17.8	7.2	10.4	12.3

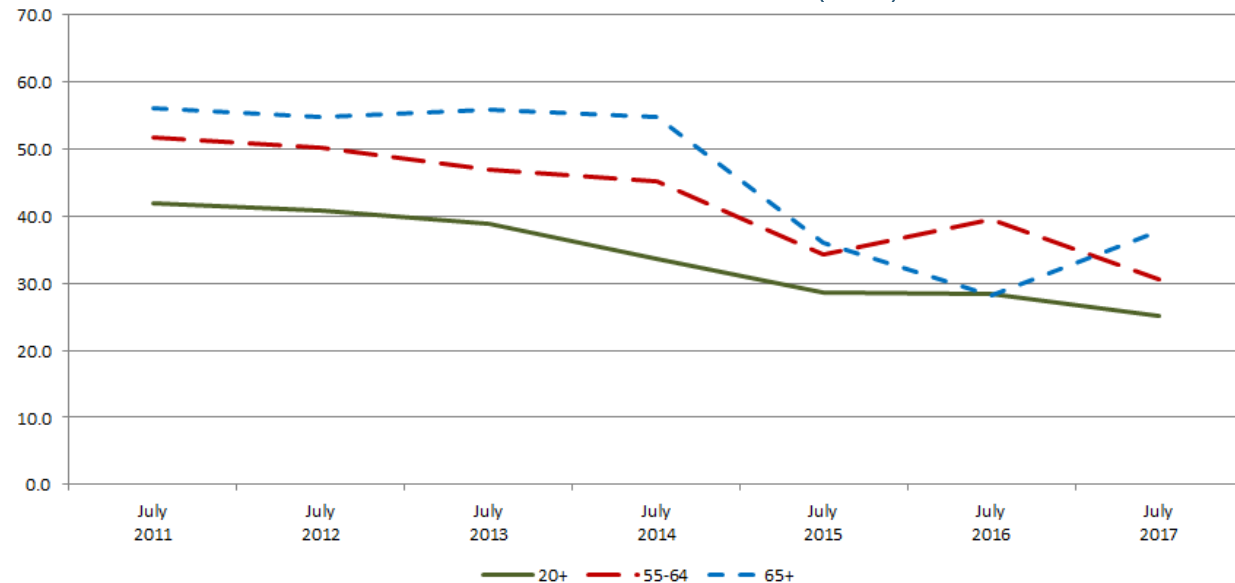
Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. *Beginning of recession, which officially ended in June 2009.

TABLE 6
AVERAGE DURATION OF UNEMPLOYMENT BY AGE (WEEKS)

	JULY 2011	JULY 2012	JULY 2013	JULY 2014	JULY 2015	JULY 2016	JULY 2017
20 YEARS AND OVER	41.9	40.8	38.9	33.6	28.7	28.5	25.1
55 TO 64 YEARS	51.8	50.2	47.0	45.1	34.3	39.5	30.6
65 YEARS AND OVER	56.0	54.7	55.8	54.9	36.0	28.2	37.8

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 over are more likely to experience long-term unemployment compared with younger jobseekers. In July 2017, 32.9 percent of jobseekers ages 55 and older were long-term unemployed compared with 22.5 percent of jobseekers in the 16-to-54 age group.

TABLE 7
LONG-TERM UNEMPLOYMENT

JULY 2017			
AGE (YEARS)	TOTAL UNEMPLOYED (THOUSANDS)	NUMBER UNEMPLOYED 27 WEEKS AND OVER (THOUSANDS)	LONG-TERM UNEMPLOYED (%)
AGES 16 TO 54	6,218	1,401	22.5%
AGES 55 AND OVER	1,223	402	32.9%

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

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