

## Employment Data Digest

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

- Fewer jobs were added to the economy compared with last month but the labor force participation rate for people ages 55 and older was up slightly to 40.2 percent in August 2017 compared with July.
- The overall unemployment rate was 4.4 percent in August 2017. The unemployment rate for those ages 55+ was 3.2 percent overall, and was 3.2 percent for men and 3.1 percent for women ages 55+.
- Average duration of unemployment for jobseekers increases with age. In August it was 30.5 weeks for jobseekers ages 55 to 64 and 37 weeks for jobseekers ages 65 and over.

### Total Payroll Employment

In August total nonfarm payroll employment increased by 156,000 jobs, down from an increase of 189,000 (revised) in July. The unemployment rate was 4.4 percent. Jobs were added mainly in manufacturing, construction, professional and technical services, health care, and mining. Approximately 35.6 million people ages 55+ were 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 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 August 2017, the rate for those ages 55+ was 40.2 percent, up slightly from July.

TABLE 1  
LABOR FORCE PARTICIPATION RATE BY AGE

	DEC 2007*	AUGUST 2016	MAY 2017	JUNE 2017	JULY 2017	AUG 2017
TOTAL, 16 YEARS AND OVER	66.0%	62.8%	62.7%	62.8%	62.9%	62.9%
16 TO 24 YEARS	59.2%	55.6%	55.1%	55.4%	55.5%	55.6%
25 TO 54 YEARS	83.1%	81.3%	81.5%	81.6%	81.8%	81.6%
55 AND OVER	38.9%	40.0%	39.9%	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 went down during and after the Great 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 August 2017 the employment rate for people ages 55+ was 38.9 percent.

TABLE 2  
EMPLOYMENT RATE

	DEC 2007*	AUG 2009	AUG 2010	AUG 2011	AUG 2012	AUG 2013	AUG 2014	AUG 2015	AUG 2016	AUG 2017
25 TO 54 YEARS	79.7%	75.6%	75.0%	75.1%	75.7%	75.9%	76.8%	77.2%	77.8%	78.4%
55 YEARS AND OVER	37.7%	37.3%	37.5%	37.6%	38.1%	38.4%	38.2%	38.3%	38.6%	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. Table 3

shows that those ages 55 and older had a lower unemployment rate (3.2 percent) in August compared with the total workforce (4.4 percent). For those ages 55+ in August the unemployment rate was 3.2 percent for men and 3.1 percent for women.

TABLE 3  
UNEMPLOYMENT RATE 55+

	DEC 2007*	AUG 2016	MAY 2017	JUNE 2017	JULY 2017	AUG 2017
TOTAL, 16 YEARS AND OVER	5.0%	4.9%	4.3%	4.4%	4.3%	4.4%
TOTAL, 55 YEARS AND OVER	3.2%	3.5%	3.1%	3.2%	3.2%	3.2%
MEN, 55 YEARS AND OVER	3.2%	3.6%	2.9%	3.0%	2.9%	3.2%
WOMEN, 55 YEARS AND OVER	3.3%	3.4%	3.4%	3.4%	3.4%	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. As shown in Table 4, at ages 55 and over jobseekers tend to have longer average 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 August 2017, the average time spent looking for work among the unemployed was 30.5 weeks for people ages 55 to 64 and 37 weeks for people ages 65 and older.

TABLE 4  
UNEMPLOYMENT BY AGE

	AUGUST 2017							AVERAGE (MEAN) DURATION	MEDIAN DURATION	
	UNEMPLOYED (NUMBERS IN THOUSANDS)						WEEKS OF UNEMPLOYMENT			
	TOTAL	LESS THAN 5 WEEKS	5 TO 14 WEEKS	15 WEEKS AND OVER						
				TOTAL	15 TO 26 WEEKS	27 WEEKS AND OVER				
TOTAL, 16 YEARS AND OVER	7,287	2,199	2,411	2,677	936	1,741	23.7	10.1		
16 TO 19 YEARS	858	372	324	162	75	86	12.1	6.6		
20 TO 24 YEARS	1,073	388	337	348	126	222	18.7	8.9		
25 TO 34 YEARS	1,794	529	587	677	213	464	24.4	10.4		
35 TO 44 YEARS	1,119	327	379	414	137	276	24.1	10.3		
45 TO 54 YEARS	1,248	332	381	535	207	328	26.7	11.9		
55 TO 64 YEARS	866	158	309	399	146	252	30.5	13.2		
65 YEARS AND OVER	330	93	94	144	31	113	37	10		

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 2009	AUG 2010	AUG 2011	AUG 2012	AUG 2013	AUG 2014	AUG 2015	AUG 2016	AUG 2017
20 YEARS AND OVER	8.6	17.3	22.3	22.9	20.0	18.2	13.1	12.0	10.8	10.7
55 TO 64 YEARS	10.8	22.2	28.1	30.8	26.7	26.2	16.9	16.5	12.9	13.2
65 YEARS AND OVER	7.4	21.4	24.0	38.2	36.7	16.6	20.4	12.8	12.9	10.0

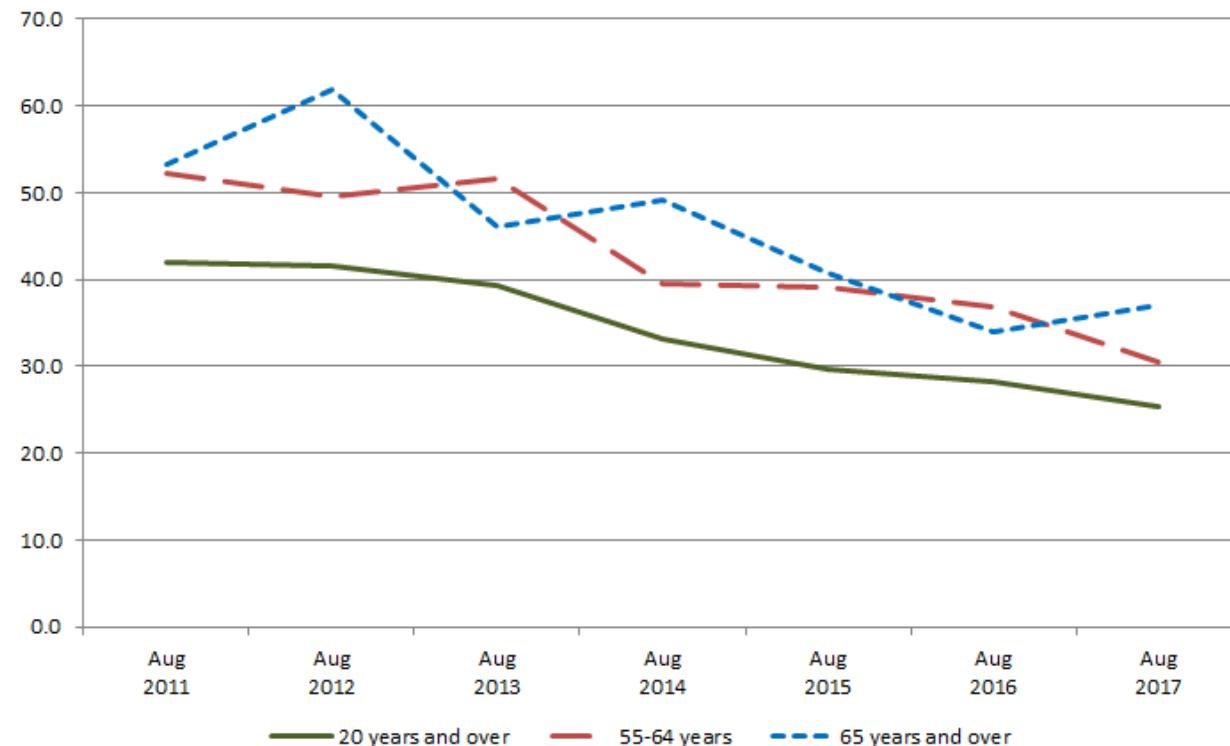
Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. \*Beginning of recession, which officially ended in June 2009.

TABLE 6  
AVERAGE DURATION OF UNEMPLOYMENT BY AGE (WEEKS)

	AUG 2011	AUG 2012	AUG 2013	AUG 2014	AUG 2015	AUG 2016	AUG 2017
20 YEARS AND OVER	41.9	41.6	39.4	33.1	29.7	28.2	25.3
55 TO 64 YEARS	52.2	49.6	51.7	39.6	39.1	36.9	30.5
65 YEARS AND OVER	53.2	61.9	46.0	49.1	40.7	33.9	37.0

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 August 2017, 30.5 percent of jobseekers ages 55 and older were long-term unemployed compared with 22.6 percent of jobseekers in the 16 to 54 age group.

TABLE 7  
LONG-TERM UNEMPLOYMENT

AUGUST 2017			
AGE (YEARS)	TOTAL UNEMPLOYED (THOUSANDS)	NUMBER UNEMPLOYED 27 WEEKS AND OVER (THOUSANDS)	LONG-TERM UNEMPLOYED (%)
AGES 16 TO 54	6,092	1,376	22.6%
AGES 55 AND OVER	1,196	365	30.5%

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

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