

## Employment Data Digest

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

- Employment rose by 261,000 jobs in October and the unemployment rate edged down to 4.1 percent.
- Labor force participation rates for people ages 55 and older declined slightly to 39.8 percent compared with 40.1 percent in September 2017.
- The unemployment rate for those ages 55+ was 3.1 percent. Average duration of unemployment in October was 45 weeks for jobseekers ages 55 to 64 and 43.9 weeks for jobseekers ages 65 and over.

### Total Payroll Employment

In October total nonfarm payroll employment increased by 261,000 jobs, an increase from 18,000 jobs (revised up from -33,000) added in September. The unemployment rate declined to 4.1 percent. Job increases were seen in the food services sector which had lost jobs last month. Employment also rose in professional and business services, manufacturing, and health care. Approximately 35.5 million people ages 55+ were employed in October.

### 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 are below the rates of December 2007, the beginning of the Great Recession. The rate for those ages 55+ has increased slightly since that time. In October, the rate for those ages 55+ was 39.8 percent, compared with 40.1 percent in September.

TABLE 1  
LABOR FORCE PARTICIPATION RATE BY AGE

	DEC 2007*	OCT 2016	JUL 2017	AUG 2017	SEP 2017	OCT 2017
TOTAL, 16 YEARS AND OVER	66.0%	62.8%	62.9%	62.9%	63.1%	62.7%
16 TO 24 YEARS	59.2%	54.9%	55.5%	55.6%	56.2%	55.6%
25 TO 54 YEARS	83.1%	81.6%	81.8%	81.6%	81.8%	81.6%
55 AND OVER	38.9%	40.0%	40.1%	40.2%	40.1%	39.8%

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 to rise in the last few years. Meanwhile, the rate for the 55+ age group held steady. In October 2017 the employment rate for people ages 55+ was 38.6 percent.

TABLE 2  
EMPLOYMENT RATE

	DEC 2007*	OCT 2009	OCT 2010	OCT 2011	OCT 2012	OCT 2013	OCT 2014	OCT 2015	OCT 2016	OCT 2017
25 TO 54 YEARS	79.7%	75.0%	75.0%	74.9%	76.1%	75.6%	77.0%	77.3%	78.2%	78.8%
55 YEARS AND OVER	37.7%	37.2%	37.2%	37.8%	38.3%	37.9%	38.3%	38.5%	38.5%	38.6%

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. Those ages 55 and older continued to have a lower unemployment rate (3.1 percent) in October compared with 4.1 percent overall. For those ages 55+ in October the unemployment rate was 3.3 percent for men and 2.9 percent for women.

TABLE 3  
UNEMPLOYMENT RATE

	DEC 2007*	OCT 2016	JUL 2017	AUG 2017	SEP 2017	OCT 2017
TOTAL, 16 YEARS AND OVER	5.0%	4.8%	4.3%	4.4%	4.2%	4.1%
TOTAL, 55 YEARS AND OVER	3.2%	3.7%	3.2%	3.2%	3.2%	3.1%
MEN, 55 YEARS AND OVER	3.2%	3.9%	2.9%	3.2%	3.1%	3.3%
WOMEN, 55 YEARS AND OVER	3.3%	3.5%	3.4%	3.1%	3.3%	2.9%

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 of observations. As shown in Table 4, at ages 45 and over, jobseekers tend to have longer average durations of unemployment compared with individuals in younger age groups. In October 2017, the average time spent looking for work among the unemployed was 45 weeks for people ages 55 to 64 and 43.9 weeks for people ages 65 and older.

TABLE 4  
UNEMPLOYMENT BY AGE

	OCTOBER 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	6,242	1,958	1,839	2,445	847	1,598	27.1	10.1
16 TO 19 YEARS	746	365	235	146	72	74	12.1	4.9
20 TO 24 YEARS	1,074	381	401	293	95	198	16.6	7.2
25 TO 34 YEARS	1,573	473	483	616	200	416	24.9	10.7
35 TO 44 YEARS	949	267	268	414	155	259	25.4	11.3
45 TO 54 YEARS	842	200	198	444	160	284	37.5	16.1
55 TO 64 YEARS	730	158	187	385	127	258	45	16.9
65 YEARS AND OVER	327	114	66	147	38	109	43.9	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*	OCT 2009	OCT 2010	OCT 2011	OCT 2012	OCT 2013	OCT 2014	OCT 2015	OCT 2016	OCT 2017
20 YEARS AND OVER	8.6	20.5	24.4	23.4	22.4	18.2	15.6	12.4	11.2	11.0
55 TO 64 YEARS	10.8	24.8	35.2	38.4	32.5	29.2	24.1	15.6	14.0	16.9
65 YEARS AND OVER	7.4	25.5	34.2	24.8	36.5	15.8	19.7	12.8	13.9	12.3

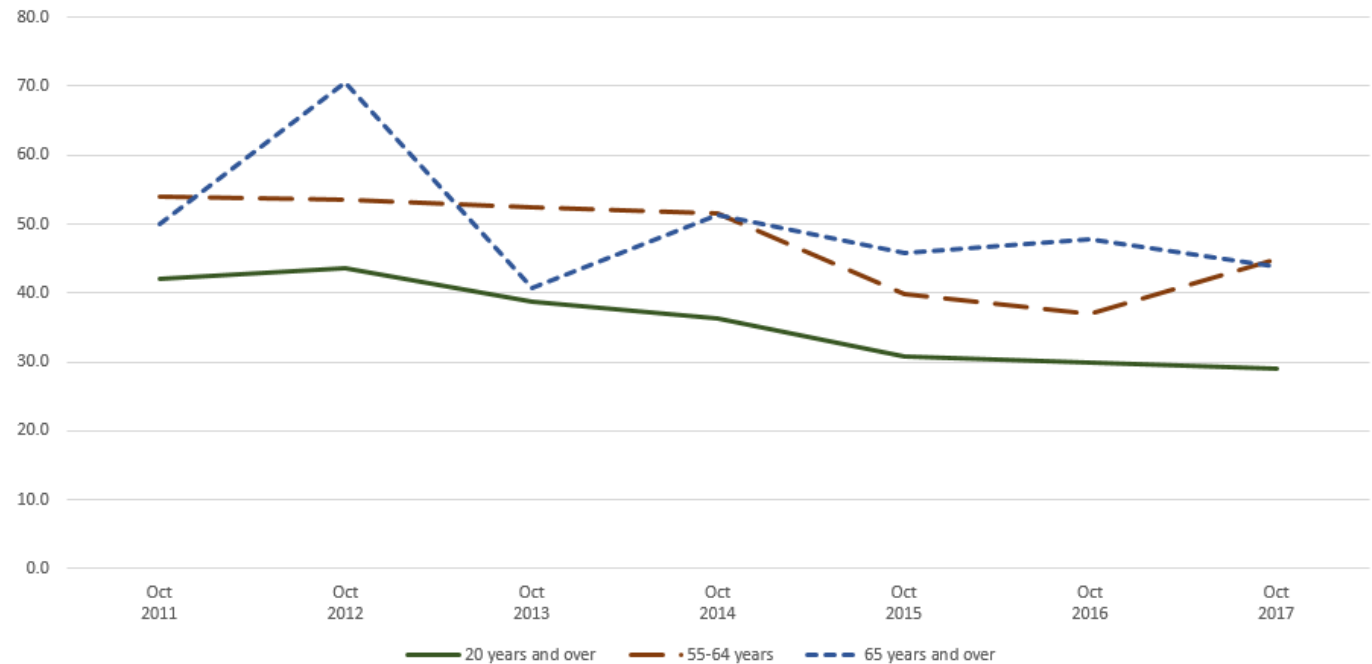
Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. \*Beginning of recession, which officially ended in June 2009.

TABLE 6  
AVERAGE DURATION OF UNEMPLOYMENT BY AGE (WEEKS)

	OCT 2011	OCT 2012	OCT 2013	OCT 2014	OCT 2015	OCT 2016	OCT 2017
20 YEARS AND OVER	42.0	43.5	38.8	36.3	30.7	29.8	29.1
55 TO 64 YEARS	53.9	53.5	52.5	51.5	39.8	37.0	45.0
65 YEARS AND OVER	49.9	70.6	40.7	51.4	45.9	47.9	43.9

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 October 2017, 34.7 percent of jobseekers ages 55 and older were long-term unemployed compared with 23.7 percent of jobseekers in the 16 to 54 age group.

TABLE 7  
LONG-TERM UNEMPLOYMENT

OCTOBER 2017			
AGE (YEARS)	TOTAL UNEMPLOYED (THOUSANDS)	NUMBER UNEMPLOYED 27 WEEKS AND OVER (THOUSANDS)	LONG-TERM UNEMPLOYED (%)
AGES 16 TO 54	5,184	1,231	23.7%
AGES 55 AND OVER	1,057	367	34.7%

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

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601 E Street NW  
Washington, DC 20049

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Data compiled by Jen Schramm, AARP Public Policy Institute.