

Employment Data Digest

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

- The economy added 223,000 jobs in May, up from the 159,000 jobs added in April. The unemployment rate declined from 3.9 percent in April to 3.8 percent in May.
- The labor force participation rate for people ages 55 and older was 40.1 percent in May, up from 39.9 percent in April.
- The unemployment rate for those ages 55+ was 2.8 percent in May, down from 3.0 percent in April. The average time the unemployed spent looking for work was 35.8 weeks for people ages 55 to 64 and 28.7 weeks for people ages 65 and over.

Total Payroll Employment

Total nonfarm payroll employment grew by 223,000 jobs in May, up from the 159,000 jobs (revised down from 164,000) added in April. The unemployment rate edged down to 3.8 percent. The retail trade, health care, and construction industries all added jobs. The number of employed people ages 55+ in May increased from 35.9 million to 36.3 million.

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. Meanwhile, the rate for those ages 55+ is higher than it was at that time. In May, the rate for those ages 55+ was 40.1 percent, up slightly from 39.9 percent in April.

TABLE 1
LABOR FORCE PARTICIPATION RATE BY AGE

	Dec 2007*	May 2017	Feb 2018	Mar 2018	Apr 2018	May 2018
Total, 16 years and over	66.0%	62.7%	63.0%	62.9%	62.8%	62.7%
16 to 24 years	59.2%	55.1%	56.0%	56.0%	55.3%	55.1%
25 to 54 years	83.1%	81.6%	82.2%	82.1%	82.0%	81.8%
55 and over	38.9%	39.9%	39.9%	39.8%	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 ages 25 to 54 is nearing pre-recession levels. The rate for the 55+ age group has increased since the recession. In May the employment rate for people ages 55+ was 39.0 percent.

TABLE 2
EMPLOYMENT RATE

	Dec 2007*	May 2010	May 2011	May 2012	May 2013	May 2014	May 2015	May 2016	May 2017	May 2018
25 to 54 years	79.7%	75.1%	75.2%	75.7%	76.0%	76.4%	77.2%	77.8%	78.4%	79.2%
55 years and over	37.7%	37.6%	37.5%	37.9%	38.3%	38.2%	38.5%	38.4%	38.7%	39.0%

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. The unemployment rate for people ages 55+ was 2.8 percent in May, down from 3.0 percent in April, and was 3.0 percent for men and 2.7 percent for women.

TABLE 3
UNEMPLOYMENT RATE

	Dec 2007*	May 2017	Feb 2018	Mar 2018	Apr 2018	May 2018
Total, 16 years and over	5.0%	4.3%	4.1%	4.1%	3.9%	3.8%
Total, 55 years and over	3.2%	3.1%	3.2%	3.2%	3.0%	2.8%
Men, 55 years and over	3.2%	2.9%	3.5%	3.2%	3.2%	3.0%
Women, 55 years and over	3.3%	3.4%	2.8%	3.2%	2.8%	2.7%

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 May, the average time spent looking for work among the unemployed was 35.8 weeks for people ages 55 to 64 and 28.7 weeks for people ages 65 and over.

TABLE 4
UNEMPLOYMENT BY AGE

	May 2018							
	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	5,756	1,950	1,568	2,237	1,066	1,171	21.8	9.9
16 to 19 years	737	341	243	153	86	67	12.0	5.6
20 to 24 years	1,058	430	302	326	194	132	15.0	7.2
25 to 34 years	1,316	424	345	547	257	290	21.4	10.4
35 to 44 years	871	275	259	338	175	163	20.2	10.4
45 to 54 years	837	230	208	398	193	206	28.1	13.5
55 to 64 years	640	120	155	365	137	228	35.8	18.4
65 years and over	297	130	56	110	24	86	28.7	7.6

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

TABLE 5
MEDIAN DURATION OF UNEMPLOYMENT BY AGE (WEEKS)

	Dec 2007*	May 2010	May 2011	May 2012	May 2013	May 2014	May 2015	May 2016	May 2017	May 2018
20 years and over	8.6	26.4	25.6	24.5	20.5	18.1	13.7	12.6	12.8	10.8
55 to 64 years	10.8	38.7	39.8	33.6	31.1	27.3	21.0	16.5	16.1	18.4
65 years and over	7.4	45.1	32.9	35.1	28.2	19.5	14.8	8.9	18.1	7.6

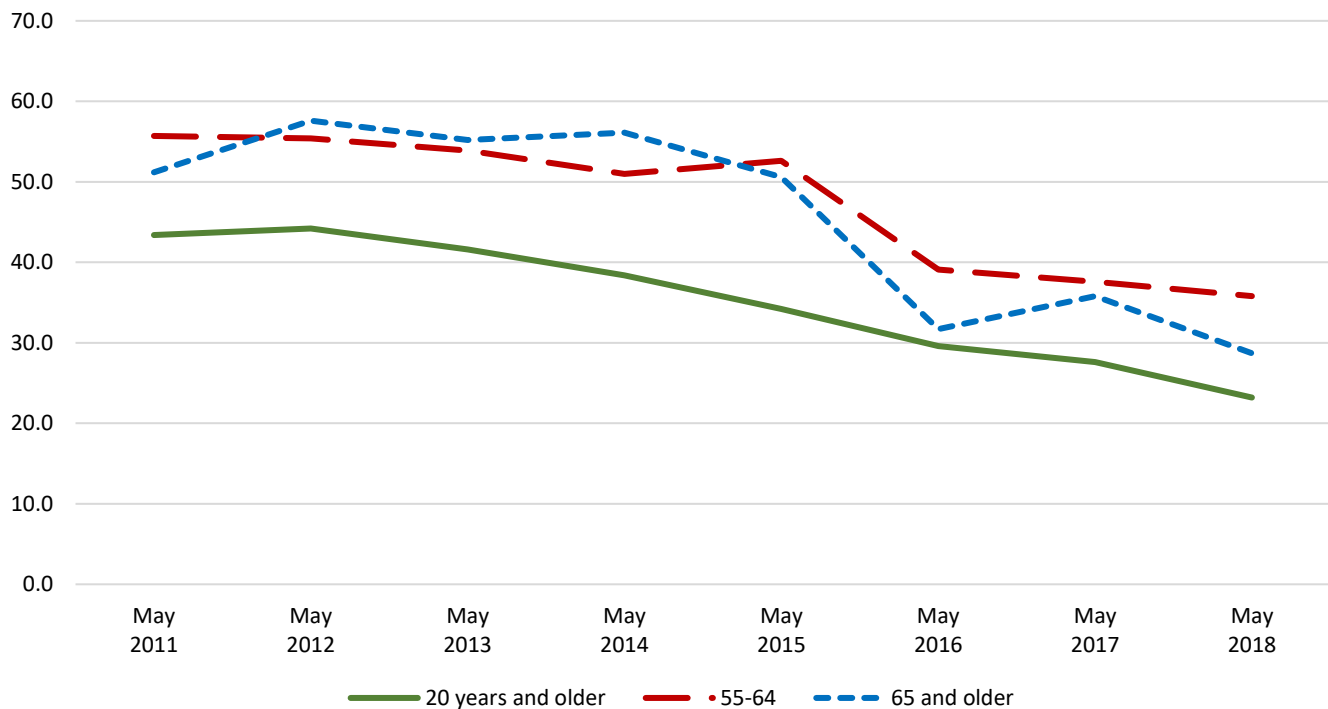
Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. *Beginning of recession, which officially ended in June 2009.

TABLE 6
AVERAGE DURATION OF UNEMPLOYMENT BY AGE (WEEKS)

	May 2011	May 2012	May 2013	May 2014	May 2015	May 2016	May 2017	May 2018
20 years and over	43.4	44.2	41.6	38.4	34.2	29.6	27.6	23.2
55 to 64 years	55.7	55.4	53.9	51.0	52.6	39.1	37.6	35.8
65 years and over	51.2	57.6	55.2	56.1	50.6	31.7	35.8	28.7

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 older are more likely to experience long-term unemployment compared with younger jobseekers. In May 2018, 33.5 percent of jobseekers ages 55 and older were long-term unemployed compared with 17.8 percent of jobseekers in the 16 to 54 age group.

TABLE 7
LONG-TERM UNEMPLOYMENT

May 2018			
Age (years)	Total unemployed (thousands)	Number unemployed 27 weeks and over (thousands)	Long-term unemployed (%)
Ages 16 to 54	4,819	858	17.8%
Ages 55 and over	937	314	33.5%

Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. Note: Because the long-term unemployed are a small subset of the overall CPS data population, please use caution when using data and expect fluctuations in estimates from month-to-month.

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