

# Employment Data Digest

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

- The unemployment rate held steady at 3.7 percent in October. Overall employment increased by 250,000 jobs, up from the 118,000 jobs added in September.
- The total labor force participation rate increased slightly to 62.9 percent in October. For people ages 55 and older it remained unchanged from September at 40.1 percent.
- The unemployment rate for people ages 55 and older was unchanged at 2.8 percent. Among jobseekers ages 55 and older, 34.3 percent were long-term unemployed, compared with 21.1 percent of jobseekers ages 16 to 54.

## Total Payroll Employment

In October, total nonfarm payroll employment increased by 250,000 jobs, up from the 118,000 jobs added in September (revised down from 134,000). The unemployment rate remained unchanged at 3.7 percent. Jobs were added in health care, transportation and warehousing, manufacturing and construction. There were 36.6 million people ages 55+ employed in October, up slightly from September.

## 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). Though 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+ is higher than it was at that time. The labor force participation rate for those ages 55+ was 40.1 percent in October, unchanged from September.

TABLE 1  
LABOR FORCE PARTICIPATION RATE BY AGE

	Dec 2007*	Oct 2017	Jul 2018	Aug 2018	Sep 2018	Oct 2018
Total, 16 years and over	66.0%	62.7%	62.9%	62.7%	62.7%	62.9%
16 to 24 years	59.2%	55.4%	55.5%	53.8%	55.0%	55.0%
25 to 54 years	83.1%	81.6%	82.1%	82.0%	81.8%	82.3%
55 and over	38.9%	39.9%	40.1%	40.2%	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 is now at pre-recession levels. The rate for the 55+ age group has increased since the recession. In October the employment rate for people ages 55+ was 38.9 percent.

TABLE 2  
EMPLOYMENT RATE

	Dec 2007*	Oct 2010	Oct 2011	Oct 2012	Oct 2013	Oct 2014	Oct 2015	Oct 2016	Oct 2017	Oct 2018
25 to 54 years	79.7%	75.0	74.9	76.1	75.6	76.9	77.2	78.2	78.9	79.7
55 years and over	37.7%	37.2	37.8	38.3	37.9	38.3	38.5	38.5	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. In October, the unemployment rate for people ages 55+ remained 2.8 percent—2.7 percent for men and 3.0 percent for women.

**TABLE 3**  
**UNEMPLOYMENT RATE**

	Dec 2007*	Oct 2017	Jul 2018	Aug 2018	Sep 2018	Oct 2018
Total, 16 years and over	5.0%	4.1%	3.9%	3.9%	3.7%	3.7%
Total, 55 years and over	3.2%	3.1%	3.1%	3.1%	2.8%	2.8%
Men, 55 years and over	3.2%	3.3%	3.1%	3.0%	2.9%	2.7%
Women, 55 years and over	3.3%	2.9%	3.0%	3.1%	2.8%	3.0%

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, average durations of unemployment are longer compared with younger age groups. In October, the average time spent looking for work among the unemployed was 36.3 weeks for people ages 55 to 64 and 34.2 weeks for people ages 65 and over.

**TABLE 4**  
**DURATION OF UNEMPLOYMENT**

	October 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	5,771	1,866	1,734	2,171	824	1,347	23.8	9.9
16 to 19 years	664	253	270	141	100	41	10.3	7.4
20 to 24 years	987	359	340	289	134	155	16.6	8.4
25 to 34 years	1,337	406	375	556	196	361	24.8	10.6
35 to 44 years	950	334	283	332	135	197	22.8	9.3
45 to 54 years	836	236	225	376	124	252	28.2	12.8
55 to 64 years	695	182	170	343	94	249	36.3	14.2
65 years and over	302	96	71	135	41	93	34.2	10.2

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 2010	Oct 2011	Oct 2012	Oct 2013	Oct 2014	Oct 2015	Oct 2016	Oct 2017	Oct 2018
20 years and over	8.6	24.4	23.4	22.4	18.2	15.6	12.4	11.2	11.0	10.4
55 to 64 years	10.8	35.2	38.4	32.5	29.2	24.1	15.6	14.0	16.9	14.2
65 years and over	7.4	34.2	24.8	36.5	15.8	19.7	12.8	13.9	12.3	10.2

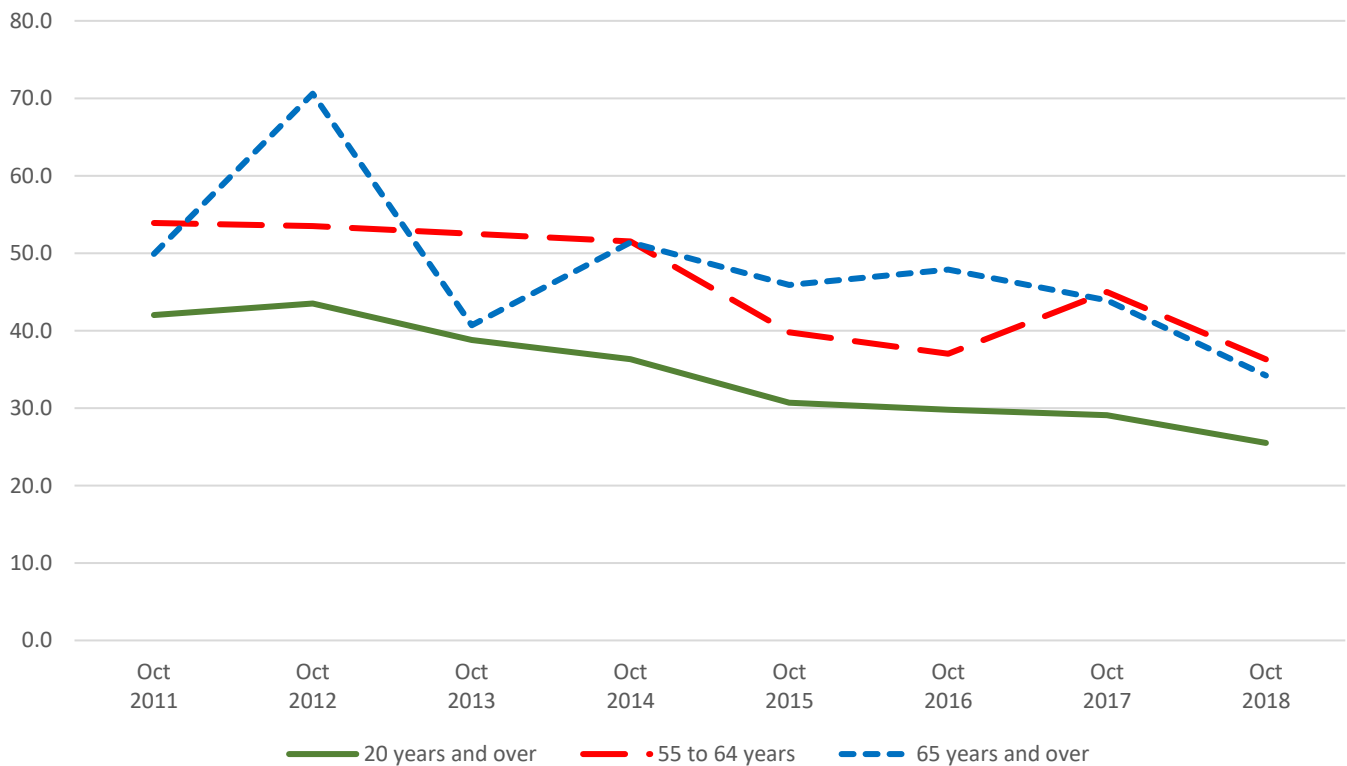
Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. \*Beginning of recession, which officially ended in June 2009.

**TABLE 6**  
**AVERAGE DURATION OF UNEMPLOYMENT BY AGE (WEEKS)**

	Oct 2011	Oct 2012	Oct 2013	Oct 2014	Oct 2015	Oct 2016	Oct 2017	Oct 2018
20 years and over	42.0	43.5	38.8	36.3	30.7	29.8	29.1	25.5
55 to 64 years	53.9	53.5	52.5	51.5	39.8	37.0	45.0	36.3
65 years and over	49.9	70.6	40.7	51.4	45.9	47.9	43.9	34.2

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 October 2018, 34.3 percent of jobseekers ages 55 and older were long-term unemployed compared with 21.1 percent of jobseekers in the 16 to 54 age group.

TABLE 7  
LONG-TERM UNEMPLOYMENT

October 2018			
Age (years)	Total unemployed (thousands)	Number unemployed 27 weeks and over (thousands)	Long-term unemployed (%)
Ages 16 to 54	4,774	1,006	21.1%
Ages 55 and over	997	342	34.3%

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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