

# Employment Data Digest

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

- The economy added 312,000 jobs in December, up from 176,000 jobs added in November. The unemployment rate increased from 3.7 percent to 3.9 percent.
- The total labor force participation rate increased to 63.1 percent. For people ages 55 and older it also increased slightly to 40.3 percent.
- The unemployment rate for people ages 55 and older remained unchanged at 2.9 percent. Among jobseekers ages 55 and older, 28.2 percent were long-term unemployed, compared with 18.5 percent of jobseekers ages 16 to 54.

## Total Payroll Employment

In December, total nonfarm payroll employment increased sharply by 312,000 jobs, up from 176,000 jobs added in November (revised up from 155,000). The unemployment rate rose from 3.7 percent to 3.9 percent. Jobs were added in health care, food services and drinking places, construction, manufacturing, and retail trade. The number of people ages 55+ employed in December was 37 million, up from 36.8 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 have declined since the beginning of the Great Recession, but the rate for those ages 55+ is now higher than it was at that time. The labor force participation rate for those ages 55+ was 40.3 percent in December, up from 40.2 percent in November.

TABLE 1  
LABOR FORCE PARTICIPATION RATE BY AGE

	Dec 2007*	Dec 2017	Sep 2018	Oct 2018	Nov 2018	Dec 2018
Total, 16 years and over	66.0%	62.7%	62.7%	62.9%	62.9%	63.1%
16 to 24 years	59.2%	54.6%	55.0%	55.0%	55.0%	55.2%
25 to 54 years	83.1%	81.9%	81.8%	82.3%	82.2%	82.3%
55 and over	38.9%	39.8%	40.1%	40.1%	40.2%	40.3%

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 December the employment rate for people ages 55+ was 39.2 percent.

TABLE 2  
EMPLOYMENT RATE

	Dec 2007*	Dec 2010	Dec 2011	Dec 2012	Dec 2013	Dec 2014	Dec 2015	Dec 2016	Dec 2017	Dec 2018
25 to 54 years	79.7%	75.0%	75.4%	76.0%	76.1%	77.1%	77.4%	78.1%	79.1%	79.7%
55 years and over	37.7%	37.4%	37.8%	38.3%	37.9%	38.4%	38.6%	38.3%	38.5%	39.2%

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 overall unemployment rate increased in December while the unemployment rate for people ages 55+ remained at 2.9 percent—3.0 percent for men and 2.8 percent for women.

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

	Dec 2007*	Dec 2017	Sep 2018	Oct 2018	Nov 2018	Dec 2018
Total, 16 years and over	5.0%	4.1%	3.7%	3.8%	3.7%	3.9%
Total, 55 years and over	3.2%	3.3%	2.8%	2.9%	2.9%	2.9%
Men, 55 years and over	3.2%	3.4%	2.9%	2.6%	2.9%	3.0%
Women, 55 years and over	3.3%	3.2%	2.8%	3.0%	2.8%	2.8%

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 December, the average time spent looking for work among the unemployed was 28.9 weeks for people ages 55 to 64 and 25.8 weeks for people ages 65 and over.

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

	December 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	6,029	2,050	1,901	2,078	859	1,219	21.5	8.9
16 to 19 years	619	243	215	161	103	58	11.9	7.6
20 to 24 years	1,007	346	369	293	181	111	15.1	8.4
25 to 34 years	1,431	501	479	451	168	283	20.6	8.7
35 to 44 years	947	330	304	313	123	190	20.6	8.5
45 to 54 years	964	298	264	403	126	277	29.3	10.0
55 to 64 years	779	218	224	337	105	231	28.9	10.9
65 years and over	283	114	47	121	53	69	25.8	9.2

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

**TABLE 5**  
**MEDIAN DURATION OF UNEMPLOYMENT BY AGE (WEEKS)**

	Dec 2007*	Dec 2010	Dec 2011	Dec 2012	Dec 2013	Dec 2014	Dec 2015	Dec 2016	Dec 2017	Dec 2018
20 years and over	8.6	23.8	22.5	19.5	19.2	13.6	11.3	10.9	9.1	9.1
55 to 64 years	10.8	33.2	31.4	28.4	25.9	20.5	16.7	15.6	12.4	10.9
65 years and over	7.4	39.3	39.8	17.1	19.0	22.0	16.7	13.1	9.0	9.2

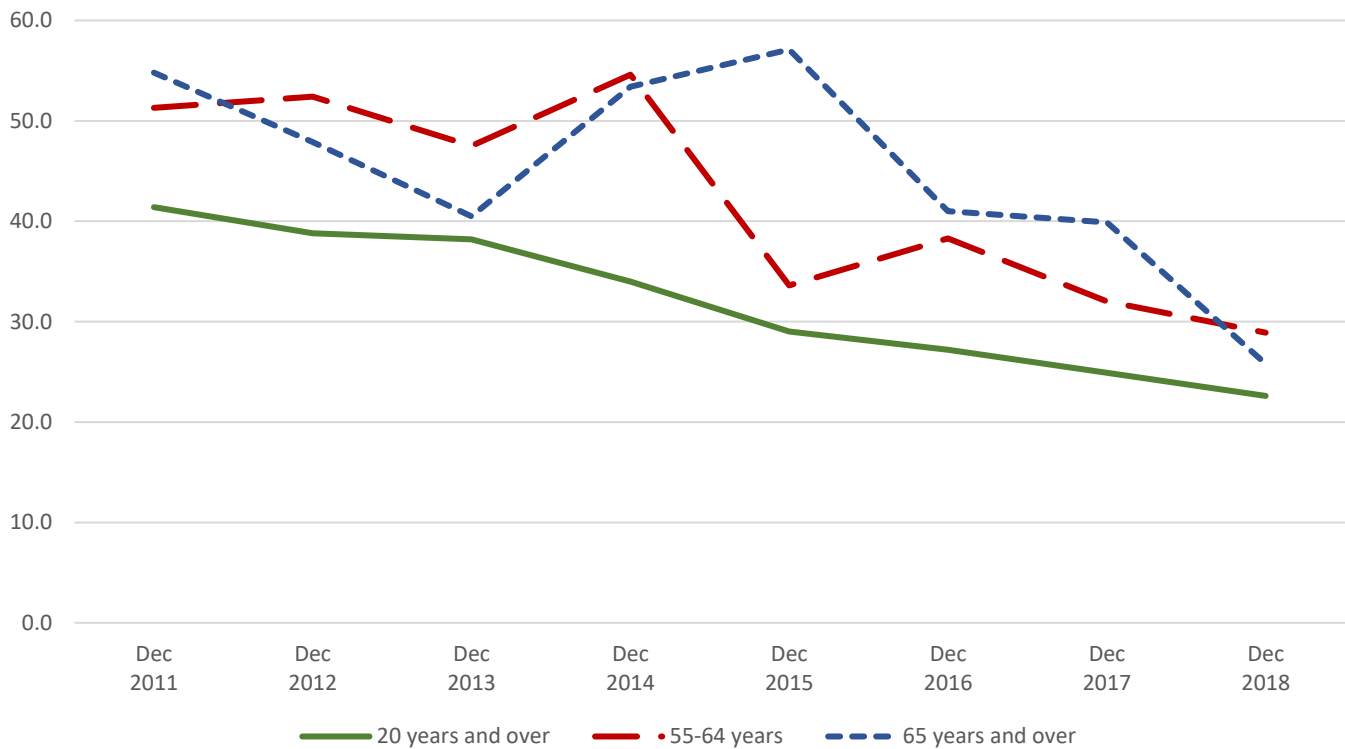
Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. \*Beginning of recession, which officially ended in June 2009.

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

	Dec 2011	Dec 2012	Dec 2013	Dec 2014	Dec 2015	Dec 2016	Dec 2017	Dec 2018
20 years and over	41.4	38.8	38.2	34.0	29.0	27.2	24.9	22.6
55 to 64 years	51.3	52.4	47.5	54.6	33.6	38.3	32.0	28.9
65 years and over	54.8	47.9	40.5	53.4	57.1	41.0	39.9	25.8

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 older are more likely to experience long-term unemployment compared with younger jobseekers. In December 2018, 28.2 percent of jobseekers ages 55 and older were long-term unemployed compared with 18.5 percent of jobseekers in the 16 to 54 age group.

TABLE 7  
LONG-TERM UNEMPLOYMENT

December 2018			
Age (years)	Total unemployed (thousands)	Number unemployed 27 weeks and over (thousands)	Long-term unemployed (%)
Ages 16 to 54	4,968	919	18.5%
Ages 55 and over	1,062	300	28.2%

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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Data compiled as of January 4, 2019.  
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