

Employment Data Digest

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

- The economy added 20,000 jobs in February, a sharp decrease from the 311,000 jobs added in January (revised up from +304,000). The unemployment rate declined from 4.0 percent to 3.8 percent.
- The unemployment rate for people ages 55 and older decreased from 3.2 percent in January to 2.7 percent in February.
- The total labor force participation rate was 63.2 percent, unchanged from January. The labor force participation rate for people ages 55 and older edged up slightly to 40.4 percent.
- Among jobseekers ages 55+, 24.3 percent were long-term unemployed, compared with 20.0 percent of jobseekers ages 16 to 54.

Total Payroll Employment

In February, the economy added 20,000 jobs, a decline from the 311,000 added in January (revised up from +304,000). However, the unemployment rate declined to 3.8 percent. Jobs were added in professional and business services, health care, and wholesale trade, but declined in construction. The number of people ages 55+ employed in February increased to 37.1 million, up from 36.8 million in January.

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 rate for those ages 55+ was 40.4 percent in February, up slightly from January. The labor force participation rates of those ages 16 to 24 and 25 to 54 have declined since the beginning of the Great Recession, while the rate for those ages 55+ continues to trend higher than it was at that time.

TABLE 1
LABOR FORCE PARTICIPATION RATE BY AGE

	Dec 2007*	Feb 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019
Total, 16 years and over	66.0%	63.0%	62.9%	63.1%	63.2%	63.2%
16 to 24 years	59.2%	55.9%	55.0%	55.2%	55.5%	55.3%
25 to 54 years	83.1%	82.1%	82.2%	82.3%	82.6%	82.5%
55 and over	38.9%	39.9%	40.2%	40.3%	40.3%	40.4%

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 slightly below pre-recession levels. The rate for the 55+ age group has increased since the recession. In February the employment rate for people ages 55+ was 39.3 percent.

TABLE 2
EMPLOYMENT RATE

	Dec 2007*	Feb 2011	Feb 2012	Feb 2013	Feb 2014	Feb 2015	Feb 2016	Feb 2017	Feb 2018	Feb 2019
25 to 54 years	79.7%	75.1%	75.5%	75.8%	76.4%	77.2%	77.8%	78.3%	79.3%	79.9%
55 years and over	37.7%	37.4%	38.0%	38.2%	38.2%	38.0%	38.6%	38.6%	38.6%	39.3%

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 decreased to 3.8 percent in February. The unemployment rate for people ages 55+ also decreased, from 3.2 percent in January to 2.7 percent in February. The 55+ unemployment rate was 2.8 percent for men and 2.6 percent for women.

TABLE 3
UNEMPLOYMENT RATE

	Dec 2007*	Feb 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019
Total, 16 years and over	5.0%	4.1%	3.7%	3.9%	4.0%	3.8%
Total, 55 years and over	3.2%	3.2%	2.9%	2.9%	3.2%	2.7%
Men, 55 years and over	3.2%	3.5%	2.9%	3.0%	3.3%	2.8%
Women, 55 years and over	3.3%	2.9%	2.8%	2.8%	2.9%	2.6%

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 February, the average time spent looking for work among the unemployed was 27.1 weeks for people ages 55 to 64 and 25.2 weeks for people ages 65 and over.

TABLE 4
DURATION OF UNEMPLOYMENT

	February 2019							
	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	6,625	2,085	2,137	2,403	1,031	1,371	21.5	9.5
16 to 19 years	761	325	250	186	79	107	14.2	6.5
20 to 24 years	1,127	367	365	394	172	223	17.4	9.1
25 to 34 years	1,616	500	570	546	244	302	19.9	9.6
35 to 44 years	973	294	293	386	173	213	24.5	10.1
45 to 54 years	1,026	270	326	431	177	254	25.7	10.9
55 to 64 years	778	202	228	347	146	201	27.1	12.2
65 years and over	344	128	105	112	40	72	25.2	7.5

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

TABLE 5
MEDIAN DURATION OF UNEMPLOYMENT BY AGE (WEEKS)

	Dec 2007*	Feb 2011	Feb 2012	Feb 2013	Feb 2014	Feb 2015	Feb 2016	Feb 2017	Feb 2018	Feb 2019
20 years and over	8.6	21.7	20.1	18.4	16.8	13.6	12.2	10.8	9.9	9.9
55 to 64 years	10.8	27.7	31.4	23.0	22.8	16.3	16.7	14.4	12.6	12.2
65 years and over	7.4	29.8	28.1	23.6	20.1	14.8	11.1	11.9	10.1	7.5

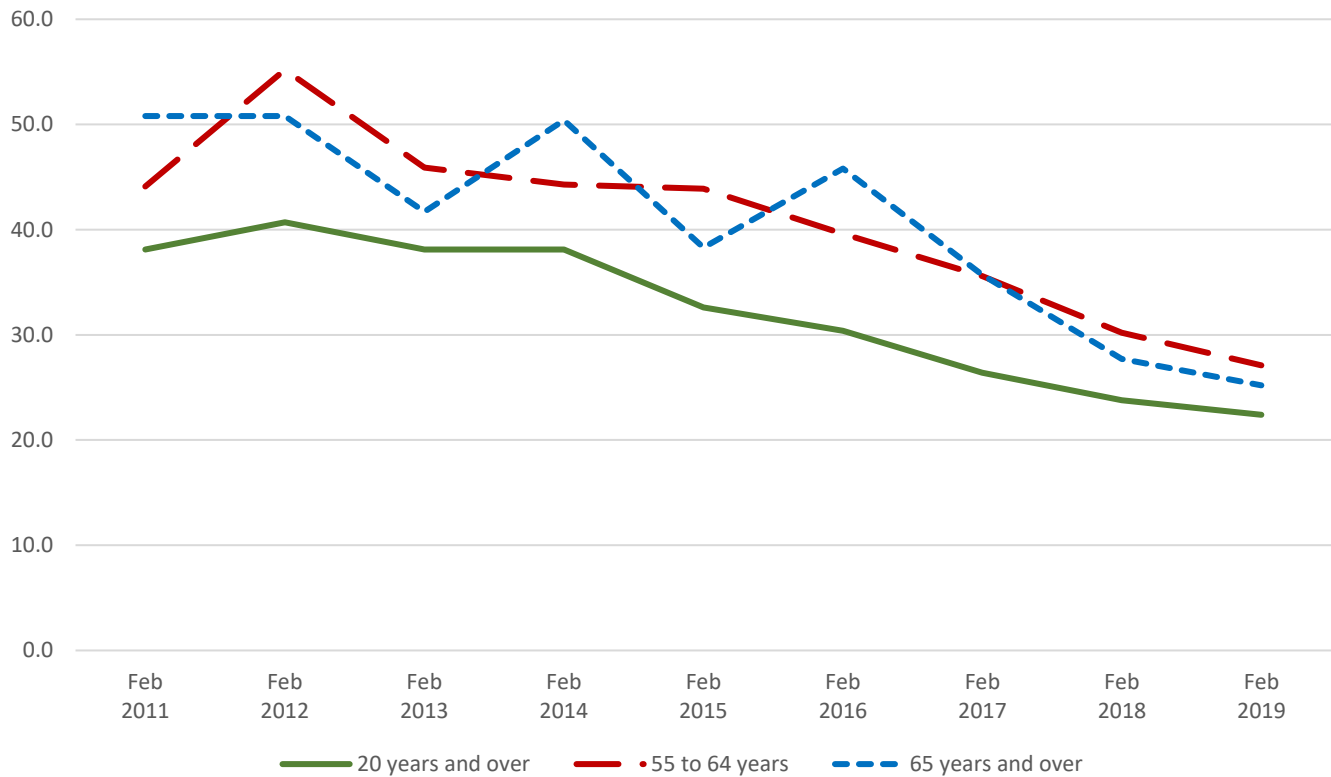
Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. *Beginning of recession, which officially ended in June 2009.

TABLE 6
AVERAGE DURATION OF UNEMPLOYMENT BY AGE (WEEKS)

	Feb 2011	Feb 2012	Feb 2013	Feb 2014	Feb 2015	Feb 2016	Feb 2017	Feb 2018	Feb 2019
20 years and over	38.1	40.7	38.1	38.1	32.6	30.4	26.4	23.8	22.4
55 to 64 years	44.1	55.2	45.9	44.3	43.9	39.6	35.6	30.2	27.1
65 years and over	50.8	50.8	41.7	50.4	38.3	45.8	35.7	27.7	25.2

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 February 2019, 24.3 percent of jobseekers ages 55 and older were long-term unemployed compared with 20 percent of jobseekers in the 16 to 54 age group.

TABLE 7
LONG-TERM UNEMPLOYMENT

February 2019			
Age (years)	Total unemployed (thousands)	Number unemployed 27 weeks and over (thousands)	Long-term unemployed (%)
Ages 16 to 54	5,503	1,099	20.0%
Ages 55 and over	1,122	273	24.3%

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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