

# Employment Data Digest

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

- The economy added 130,000 jobs in August, down from the 159,000 jobs added in July. The unemployment rate was unchanged for the third consecutive month at 3.7 percent.
- The unemployment rate for people ages 55 and older edged down from 2.7 to 2.6 percent.
- The total labor force participation rate increased to 63.2 percent. The labor force participation rate for people ages 55 and older edged down to 40.3 percent.
- Among jobseekers ages 55+, 25.2 percent were long-term unemployed in August, compared with 19.5 percent of jobseekers ages 16 to 54.

## Total Payroll Employment

The economy added 130,000 jobs in August, a decline from the 159,000 jobs added in July (revised down from +164,000). The unemployment rate remained unchanged at 3.7 percent. Jobs were added in the federal government (a reflection of the hiring of temporary workers for the 2020 Census). Health care and finance also added jobs. The number of people ages 55+ employed in August remained 37.5 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). In August, the total labor force participation rate edged up to 63.2 percent but declined slightly to 40.3 percent for those ages 55+. The labor force participation rates of those ages 16 to 24 and 25 to 54 have decreased slightly since the beginning of the Great Recession, while the rate for those ages 55+ has increased.

TABLE 1  
Labor Force Participation Rate by Age

Age	Dec 2007*	Aug 2018	May 2019	Jun 2019	Jul 2019	Aug 2019
Total, 16 years and over	66.0%	62.7%	62.8%	62.9%	63.0%	63.2%
16 to 24 years	59.2%	53.8%	55.9%	56.1%	56.4%	55.8%
25 to 54 years	83.1%	82.0%	82.1%	82.2%	82.0%	82.6%
55 and over	38.9%	40.2%	39.8%	40.0%	40.5%	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 has now slightly surpassed pre-recession levels. The rate for those ages 55+ is above the pre-recession level and was 39.3 percent in August.

TABLE 2  
Employment Rate

Age	Dec 2007*	Aug 2011	Aug 2012	Aug 2013	Aug 2014	Aug 2015	Aug 2016	Aug 2017	Aug 2018	Aug 2019
25 to 54 years	79.7%	75.1%	75.7%	76.0%	76.9%	77.3%	77.9%	78.5%	79.4%	80.0%
55 years and over	37.7%	37.6%	38.1%	38.4%	38.1%	38.3%	38.5%	38.8%	39.0%	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. In August, the overall unemployment rate remained at 3.7 percent for the third consecutive month. The unemployment rate for people ages 55+ decreased from 2.7 percent to 2.6 percent and was 2.4 percent for men and 2.8 percent for women.

TABLE 3  
Unemployment Rate

Gender/Age	Dec 2007*	Aug 2018	May 2019	Jun 2019	Jul 2019	Aug 2019
Total, 16 years and over	5.0%	3.8%	3.6%	3.7%	3.7%	3.7%
Total, 55 years and over	3.2%	3.0%	2.7%	3.0%	2.7%	2.6%
Men 55+	3.2%	3.0%	2.6%	2.7%	2.5%	2.4%
Women 55+	3.3%	3.1%	3.1%	3.3%	2.9%	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 that individuals classified as unemployed have been looking for work. The median duration of unemployment refers to the midpoint of unemployment, below and above which there is an equal number of observations. Average durations of unemployment for those ages 45 and over are usually longer than the durations experienced by younger age groups. In August, the average duration of unemployment was 28.6 weeks for those ages 45 to 54, 26.2 weeks for those ages 55 to 64, and 23.8 weeks for those ages 65 and over.

TABLE 4  
Duration of Unemployment by Age, August 2019

Age	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	6,203	2,216	2,009	1,978	708	1,270	21.7	8.6
16 to 19 years	763	329	328	106	51	55	9.8	6.0
20 to 24 years	1,042	476	328	237	83	154	17.1	6.1
25 to 34 years	1,418	482	407	529	221	308	22.6	9.2
35 to 44 years	962	283	342	337	110	227	23.7	9.9
45 to 54 years	969	311	272	387	125	261	28.6	10.4
55 to 64 years	714	192	257	265	91	175	26.2	10.1
65 years and over	334	143	75	116	27	89	23.8	7.6

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

TABLE 5  
Median Duration of Unemployment by Age (*weeks*)

Age	Dec 2007*	Aug 2011	Aug 2012	Aug 2013	Aug 2014	Aug 2015	Aug 2016	Aug 2017	Aug 2018	Aug 2019
20 years and over	8.6	22.9	20.0	18.2	13.1	12.0	10.8	10.7	9.5	9.1
55 to 64 years	10.8	30.8	26.7	26.2	16.9	16.5	12.9	13.2	12.1	10.1
65 years and over	7.4	38.2	36.7	16.6	20.4	12.8	12.9	10.0	9.3	7.6

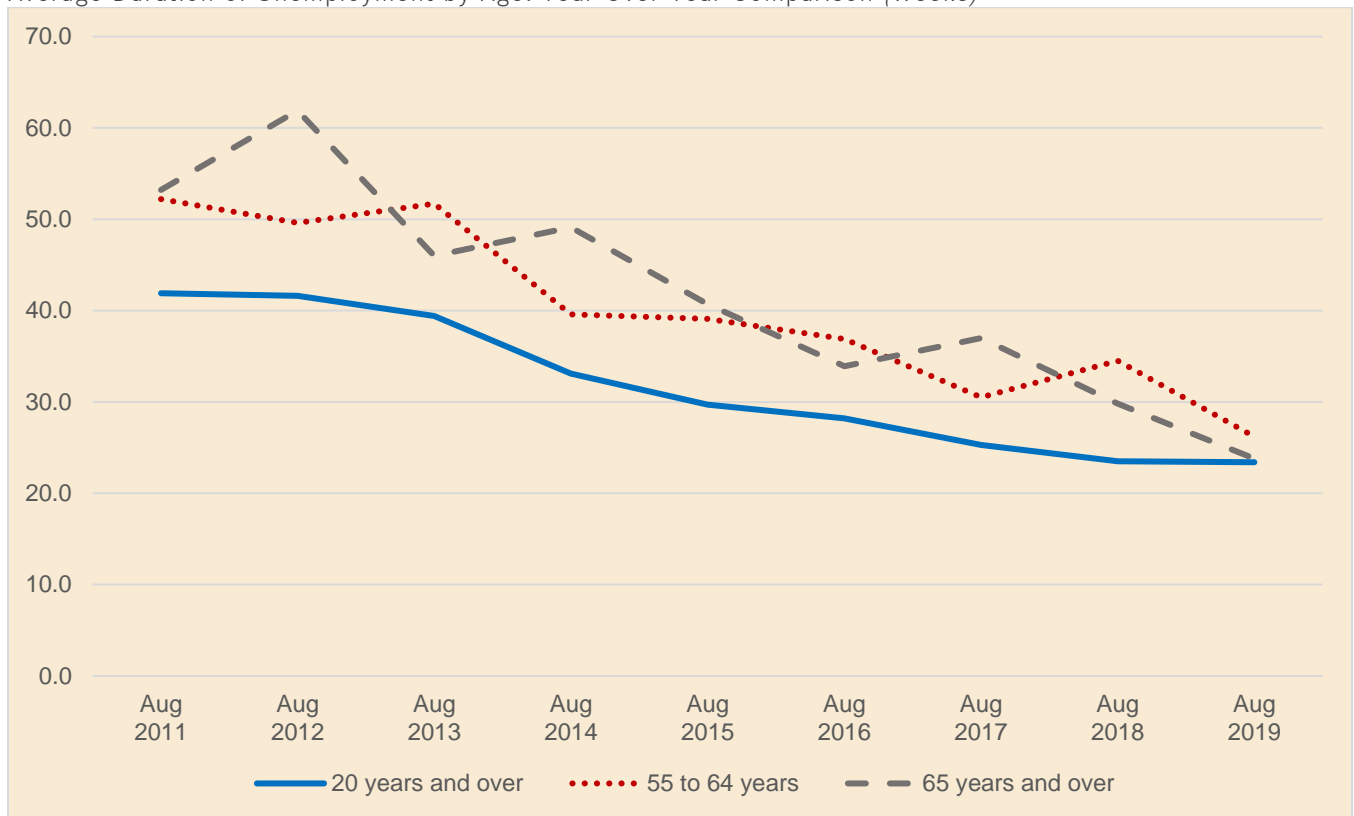
Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. \* Beginning of recession, which officially ended in June 2009.

TABLE 6  
Average Duration of Unemployment by Age (*weeks*)

Age	Aug 2011	Aug 2012	Aug 2013	Aug 2014	Aug 2015	Aug 2016	Aug 2017	Aug 2018	Aug 2019
20 years and over	41.9	41.6	39.4	33.1	29.7	28.2	25.3	23.5	23.4
55 to 64 years	52.2	49.6	51.7	39.6	39.1	36.9	30.5	34.5	26.2
65 years and over	53.2	61.9	46.0	49.1	40.7	33.9	37.0	29.8	23.8

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. Generally, jobseekers ages 55+ are more likely to experience long-term unemployment compared with younger jobseekers. In August 2019, 25.2 percent of jobseekers ages 55+ were long-term unemployed compared with 19.5 percent of jobseekers in the 16 to 54 age group.

TABLE 7  
Long-term Unemployment by Age, August 2019

Age (years)	Total Unemployed (thousands)	Number Unemployed 27 Weeks and over (thousands)	Long Term Unemployed (%)
Ages 16 to 54	5,154	1,005	19.5%
Ages 55 and over	1,048	264	25.2%

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.

AARP/PPI Employment Data Digest  
Data compiled by Jen Schramm on September 6, 2019  
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