

Employment Data Digest

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

- The US lost 20.5 million jobs in April, the highest recorded monthly job loss on record. The BLS attributed the massive job loss to the effects of the coronavirus (COVID-19) pandemic and efforts to contain it. The unemployment rate surged to 14.7 percent, the highest unemployment rate since the Great Depression.
- The unemployment rate for people ages 55 and older jumped from 3.3 percent to 13.6 percent.
- The total labor force participation rate declined from 62.7 percent to 60.2 percent and decreased for the 55+ from 39.8 percent to 38.6 percent. Employment rates also fell sharply, from 79.7 to 69.7 percent for those ages 25 to 54 and from 38.9 to 33.3 percent among those ages 55+.

Total Payroll Employment

The US Bureau of Labor Statistics (BLS) measured the sharpest job loss in its history of measuring US employment rates in April. The economy lost 20.5 million jobs compared with the -870,000 jobs lost in March (revised from -701,000). The March job losses were already a steep decline from the +230,000 jobs added in February (revised down from +275,000). In April, the unemployment rate surged from 4.4 percent to 14.7 percent, the highest level since the Great Depression. The sudden widespread job losses were a result of the COVID-19 pandemic. While employment fell dramatically in all major industry sectors, the most substantial job losses were in leisure and hospitality. The number of employed people ages 55+ also dropped sharply, from 37.1 million in March to 32.1 million in April.

Unemployment Rate

The unemployed are individuals ages 16 and older who were not employed during the survey reference week (generally the week of the 12th), 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 April, the overall unemployment rate increased sharply, from 4.4 percent to 14.7 percent. The 55+ unemployment rate also rose sharply, from 3.3 percent to 13.6 percent. It increased from 3.4 percent to 12.1 for men ages 55+ and rose most sharply for women ages 55+, from 3.3 percent to 15.5 percent.

FIGURE 1
55+ Unemployment Rate (*Month and Year*)



Source: US Department of Labor, Bureau of Labor Statistics. Current Population Survey data. Seasonally adjusted.

TABLE 1
Unemployment Rate

Gender/Age	Dec 2007*	Apr 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020
Total, 16 years and over	5.0%	3.6%	3.6%	3.5%	4.4%	14.7%
Total, 55 years and over	3.2%	2.6%	2.6%	2.6%	3.3%	13.6%
Men 55+	3.2%	2.6%	2.6%	2.7%	3.4%	12.1%
Women 55+	3.3%	2.7%	2.4%	2.4%	3.3%	15.5%

Source: US Department of Labor, Bureau of Labor Statistics. Current Population Survey data. Seasonally adjusted. * Beginning of the Great 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. The influx of vast numbers of newly unemployed people brought down the average duration of unemployment in April 2020. It declined from 16.6 to 7 weeks for those ages 45 to 54, from 20.9 to 8.1 weeks for those ages 55 to 64, and from 24.5 to 7 weeks for those ages 65 and over. As the crisis continues, the duration of unemployment is likely to increase over time for all age groups.

TABLE 2
Duration of Unemployment by Age, April 2020

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	22,504	13,880	6,728	1,897	968	929	7.7	4.0
16 to 19 years	1,500	948	450	102	70	31	6.1	4.0
20 to 24 years	3,317	2,057	987	273	143	130	7.3	4.0
25 to 34 years	5,096	3,158	1,479	459	176	283	9.0	4.0
35 to 44 years	3,772	2,288	1,102	382	228	154	7.5	4.0
45 to 54 years	3,828	2,406	1,112	310	173	137	7.0	4.0
55 to 64 years	3,382	2,077	1,029	276	130	146	8.1	4.0
65 years and over	1,609	947	568	94	47	47	7.0	4.1

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

TABLE 3
Median Duration of Unemployment by Age (*weeks*)

Age	Dec 2007*	Apr 2011	Apr 2012	Apr 2013	Apr 2014	Apr 2015	Apr 2016	Apr 2017	Apr 2018	Apr 2019	Apr 2020
20 years and over	8.6	25.8	24.4	21.1	19.2	14.3	14.3	12.7	12.7	12.1	4.0
55 to 64 years	10.8	38.8	38.4	29.4	26.2	17.6	19.6	15.4	14.8	12.3	4.0
65 years and over	7.4	31.2	39.2	29.8	20.8	20.7	13.9	17.2	13.8	12.5	4.1

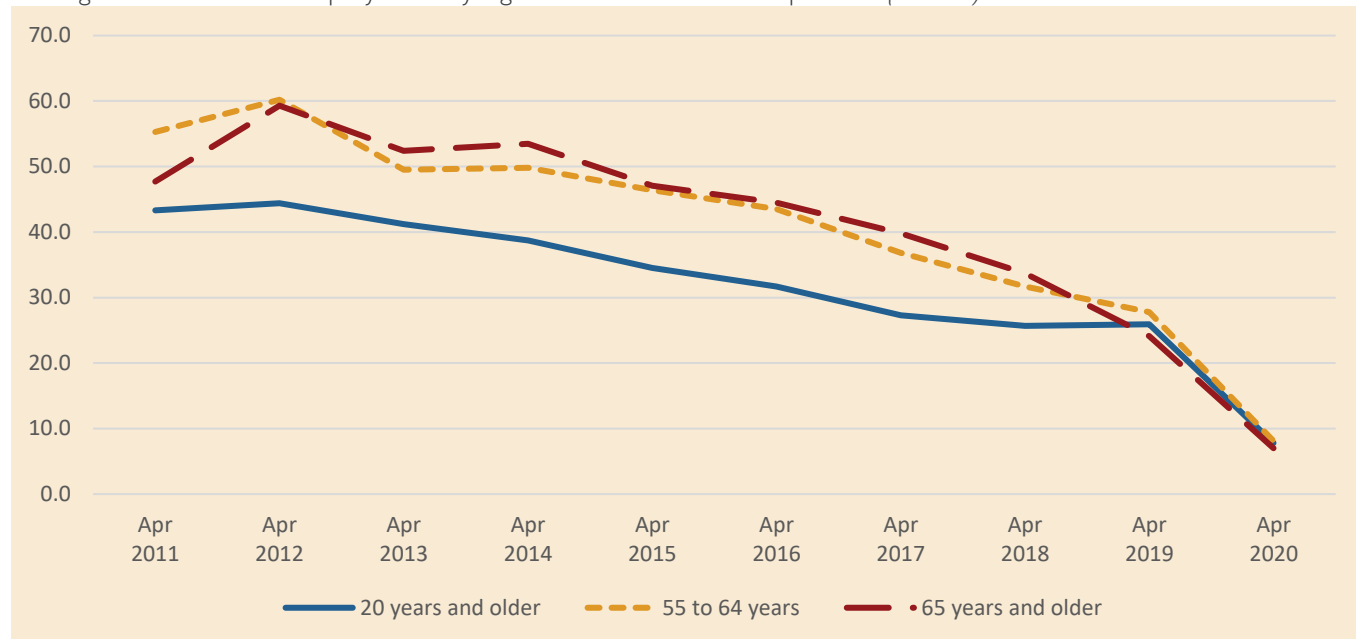
Source: US Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. * Beginning of the Great Recession, which officially ended in June 2009.

TABLE 4
Average Duration of Unemployment by Age (*weeks*)

Age	Apr 2011	Apr 2012	Apr 2013	Apr 2014	Apr 2015	Apr 2016	Apr 2017	Apr 2018	Apr 2019	Apr 2020
20 years and over	43.3	44.4	41.2	38.7	34.5	31.7	27.3	25.7	25.9	7.8
55 to 64 years	55.3	60.2	49.5	49.8	46.4	43.5	36.8	31.7	27.8	8.1
65 years and over	47.7	59.3	52.4	53.5	47.1	44.5	39.8	33.7	24.1	7.0

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

FIGURE 2
Average Duration of Unemployment by Age: Year-Over-Year Comparison (*Weeks*)



Source: US 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+ typically experience higher rates of long-term unemployment compared with younger jobseekers. In April 2020, however, the massive influx of newly unemployed reduced the proportion of long-term unemployed jobseekers within the total unemployment count. In March, 19.9 percent of jobseekers ages 55+ were long-term unemployed, dropping to 3.9 percent in April. Similarly, the percentage of long-term unemployed jobseekers in the 16 to 54 age group also declined sharply – from 16.2 to 4.2 percent.

TABLE 5
Long-term Unemployment by Age, April 2020

Age (<i>years</i>)	Total Unemployed (<i>thousands</i>)	Number Unemployed 27 Weeks and over (<i>thousands</i>)	Long Term Unemployed (%)
Ages 16 to 54	17,513	735	4.2%
Ages 55 and over	4,991	193	3.9%

Source: US 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.

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 total labor force participation rate declined from 62.7 to 60.2 percent and decreased for those ages 55+, from 39.8 to 38.6 percent. The decrease in labor force participation rates suggests that large numbers of workers displaced by COVID-19 pandemic-related job loss have dropped out of the labor market.

TABLE 6
Labor Force Participation Rate by Age

Age	Dec 2007*	Apr 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020
Total, 16 years and over	66.0%	62.8%	63.4%	63.4%	62.7%	60.2%
16 to 24 years	59.2%	55.3%	56.6%	56.8%	54.9%	49.6%
25 to 54 years	83.1%	82.2%	83.1%	83.0%	82.6%	79.9%
55 and over	38.9%	39.9%	40.3%	40.3%	39.8%	38.6%
65 and over	16.3%	19.8%	20.3%	20.8%	19.7%	19.0%

Source: US Department of Labor, Bureau of Labor Statistics. Labor force statistics from the Current Population Survey. All age ranges except for 65+ are seasonally adjusted. * Beginning of the Great Recession, which officially ended in June 2009.

Employment Rate

The employment rate refers to the proportion of the civilian non-institutional population that is employed. The year-over-year employment rate for individuals ages 25 to 54 decreased sharply to 69.7 percent. In April 2020, the rate for those ages 55+ and 65+ also decreased to 33.3 percent and 16 percent, respectively.

TABLE 7
Employment Rate

Age	Dec 2007*	Apr 2012	Apr 2013	Apr 2014	Apr 2015	Apr 2016	Apr 2017	Apr 2018	Apr 2019	Apr 2020
25 to 54 years	79.7%	75.7%	75.8%	76.5%	77.2%	77.8%	78.6%	79.2%	79.7%	69.7%
55 and over	37.7%	37.7%	38.2%	38.1%	38.5%	38.7%	38.7%	38.8%	38.9%	33.3%
65 and over	15.8%	17.4%	18.0%	18.0%	18.3%	18.9%	19.0%	19.0%	19.2%	16.0%

Source: US Department of Labor, Bureau of Labor Statistics. Seasonally adjusted. All age ranges except for 65+ are seasonally adjusted. * Beginning of the Great Recession, which officially ended in June 2009.

The data in this Employment Data Digest are derived from the Current Population Survey (CPS), a monthly survey of households conducted by the US Bureau of Census for the US Bureau of Labor Statistics. The survey provides a comprehensive body of data on the labor force, employment, unemployment, persons not in the labor force, hours of work, earnings, and other demographic and labor force characteristics.

For more information, go to www.bls.gov/cps.

AARP/PPI Employment Data Digest
Data compiled by Jen Schramm on May 8, 2020
© AARP PUBLIC POLICY INSTITUTE
601 E Street, NW
Washington DC 20049

Follow us on Twitter @AARPolicy
on [facebook.com/AARPolicy](https://www.facebook.com/AARPolicy)
www.aarp.org/ppi
For more reports from the Public Policy Institute, visit
<http://www.aarp.org/ppi/>.

