

Employment Data Digest

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

- U.S. payroll employment rose by 1.8 million jobs in July as the gradual reopening of some businesses continued.
- The unemployment rate decreased from 11.1 percent in June to 10.2 percent in July. The unemployment rate for people ages 55+ decreased from 9.7 percent to 8.8 percent.
- The total labor force participation rate declined slightly from 61.5 percent to 61.4 percent but increased for those ages 55+, from 39 percent to 39.2 percent.

Total Payroll Employment

The U.S. Bureau of Labor Statistics (BLS) reported 1.8 million jobs were added in July, and the unemployment rate fell to 10.2 percent. As resumption of some economic activity continued, job gains occurred in leisure and hospitality, government, retail trade, professional and business services, other services, and health care. As in June, the number of unemployed workers on temporary layoff due to the pandemic who were misclassified as employed remained an issue but to a lesser degree than in previous months. June's job change was revised down by 9,000, from +4,800,000 to +4,791,000. The number of people ages 55+ who were employed rose from 34.1 million in June to 34.7 million in July. The number of 55+ who were unemployed declined from 3.7 million in June to 3.3 million in July.

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 July, the overall unemployment rate declined from 11.1 percent to 10.2 percent. The 55+ unemployment rate also declined, from 9.7 percent to 8.8 percent. For men ages 55+, it decreased from 8.9 percent to 8 percent and, for women ages 55+, it also decreased, from 10.5 percent to 9.6 percent.

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



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

TABLE 1
Unemployment Rate

Gender/Age	Dec 2007*	July 2019	Apr 2020	May 2020	June 2020	July 2020
Total, 16 years and over	5.0%	3.7%	14.7%	13.3%	11.1%	10.2%
Total, 55 years and over	3.2%	2.7%	13.6%	11.8%	9.7%	8.8%
Men 55+	3.2%	2.5%	12.1%	10.3%	8.9%	8.0%
Women 55+	3.3%	2.8%	15.5%	13.6%	10.5%	9.6%

Source: U.S. 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. In July, the average duration of unemployment was 17.4 weeks for those ages 45 to 54, 16 weeks for those ages 55 to 64, and 18.4 weeks for those ages 65 and over.

TABLE 2
Duration of Unemployment by Age, July 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	16,882	3,430	5,556	7,896	6,328	1,569	16.1	13.7
16 to 19 years	1,265	466	423	376	304	71	10.9	8.0
20 to 24 years	2,708	626	986	1,096	882	214	14.9	12.0
25 to 34 years	4,148	742	1,315	2,091	1,646	444	16.8	14.6
35 to 44 years	2,795	539	906	1,350	1,080	271	16.8	14.1
45 to 54 years	2,553	498	818	1,238	1,009	229	17.4	14.2
55 to 64 years	2,419	439	787	1,193	952	241	16.0	14.3
65 years and over	994	119	322	553	454	99	18.4	15.6

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

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

Age	Dec 2007*	Jul 2011	Jul 2012	Jul 2013	Jul 2014	Jul 2015	Jul 2016	Jul 2017	Jul 2018	Jul 2019	Jul 2020
20 years and over	8.6	23.2	19.1	17.5	13.0	10.0	10.2	9.7	9.4	8.5	14.1
55 to 64 years	10.8	31.0	26.4	22.3	18.8	13.6	11.9	11.0	10.0	8.7	14.3
65 years and over	7.4	46.9	37.4	28.9	17.8	7.2	10.4	12.3	9.7	9.6	15.6

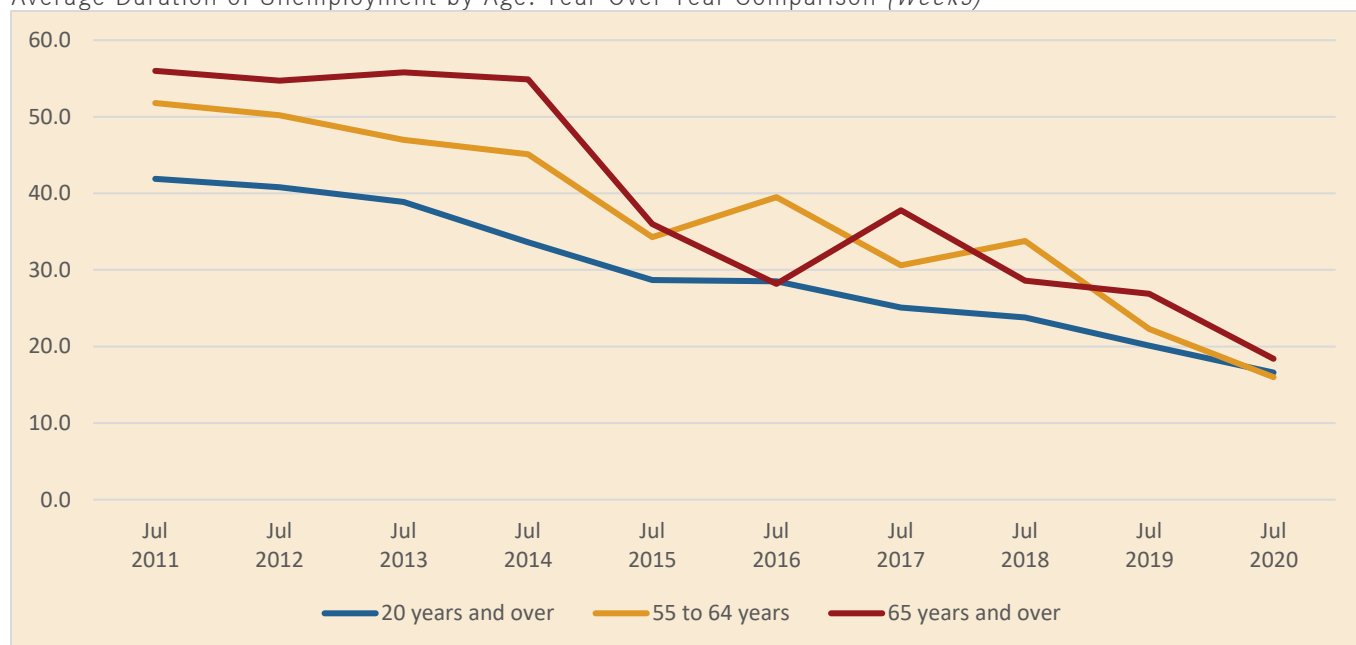
Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. * Beginning of the Great Recession, which officially ended in June 2009.

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

Age	Jul 2011	Jul 2012	Jul 2013	Jul 2014	Jul 2015	Jul 2016	Jul 2017	Jul 2018	Jul 2019	Jul 2020
20 years and over	41.9	40.8	38.9	33.6	28.7	28.5	25.1	23.8	20.1	16.6
55 to 64 years	51.8	50.2	47.0	45.1	34.3	39.5	30.6	33.8	22.3	16.0
65 years and over	56.0	54.7	55.8	54.9	36.0	28.2	37.8	28.6	26.9	18.4

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

FIGURE 2
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+ typically experience higher rates of long-term unemployment compared with younger jobseekers. However, in recent months, the high number of newly unemployed reduced the proportion of long-term unemployed jobseekers among the unemployed. These percentages are now rising as the recession continues. In July, 9.1 percent of jobseekers ages 16 to 54 were long-term unemployed, while 10 percent of jobseekers ages 55 and older were long-term unemployed.

TABLE 5
Long-term Unemployment by Age, July 2020

Age (years)	Total Unemployed (thousands)	Number Unemployed 27 Weeks and over (thousands)	Long Term Unemployed (%)
Ages 16 to 54	13,469	1,229	9.1%
Ages 55 and over	3,413	340	10.0%

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.

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 decreased slightly from 61.5 percent to 61.4 percent and increased for those ages 55+, from 39 percent to 39.2 percent. It increased slightly from 18.9 percent to 19.2 percent for those ages 65 and older.

TABLE 6
Labor Force Participation Rate by Age

Age	Dec 2007*	Jul 2019	Apr 2020	May 2020	Jun 2020	Jul 2020
Total, 16 years and over	66.0%	63.0%	60.2%	60.8%	61.5%	61.4%
16 to 24 years	59.2%	56.4%	49.6%	51.8%	51.7%	51.9%
25 to 54 years	83.1%	82.1%	79.9%	80.7%	81.5%	81.3%
55 and over	38.9%	40.5%	38.6%	38.5%	39.0%	39.2%
65 and over	16.3%	20.3%	19.0%	18.6%	18.9%	19.2%

Source: U.S. 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. In July, the year-over-year employment rate for individuals ages 25 to 54 decreased to 73.8 percent. The rate for those ages 55+ and 65+ also decreased, to 35.8 percent and 17.4 percent, respectively.

TABLE 7
Employment Rate

Age	Dec 2007*	Jul 2012	Jul 2013	Jul 2014	Jul 2015	Jul 2016	Jul 2017	Jul 2018	Jul 2019	Jul 2020
25 to 54 years	79.7%	75.6%	76.0%	76.7%	77.1%	78.0%	78.7%	79.5%	79.5%	73.8%
55 and over	37.7%	37.7%	38.2%	38.2%	38.5%	38.7%	38.7%	38.9%	39.4%	35.8%
65 and over	15.8%	16.8%	17.4%	17.3%	18.0%	18.6%	18.5%	18.8%	19.8%	17.4%

Source: U.S. 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 U.S. Bureau of Census for the U.S. 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.

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