

# Employment Data Digest

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

- U.S. employment declined by 140,000 jobs in December, in contrast to the 336,000 jobs added in November.
- The overall unemployment rate remained at 6.7 percent in December. The unemployment rate for people ages 55+ increased from 5.8 percent to 6 percent.
- In December, 45.5 percent of jobseekers ages 55 and older were long-term unemployed compared with 35.1 percent of jobseekers ages 16 to 54.

## Total Payroll Employment

The U.S. Bureau of Labor Statistics (BLS) reported that total nonfarm payroll employment declined by 140,000 in December, in contrast to the 336,000 jobs added in November (revised up from +245,000). The unemployment rate was unchanged at 6.7 percent. Employment declined in leisure and hospitality and in private education. Meanwhile, jobs were added in professional and business services, retail trade, and construction. As in recent months, some workers affected by the pandemic who BLS classified as employed should have been classified as unemployed on temporary layoff. However, this number is lower than it was earlier in the pandemic. As is done at the end of every calendar year, seasonally adjusted household survey data were revised using updated seasonal adjustment factors. The number of people ages 55+ who were employed in December decreased again slightly to 35.4 million while those who were unemployed rose from 2.2 million to 2.3 million.

## Unemployment Rate

The unemployed are individuals ages 16 and older who were not employed during the survey reference week (generally the week of the 12<sup>th</sup>), 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 December the overall unemployment rate remained at 6.7 percent. The 55+ unemployment rate increased from 5.8 percent to 6 percent. For men ages 55+, it was unchanged at 5.9 percent and, for women ages 55+, it increased from 5.8 percent to 6.1 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*	Dec 2019	Sept 2020	Oct 2020	Nov 2020	Dec 2020
Total, 16 years and over	5.0%	3.6%	7.8%	6.9%	6.7%	6.7%
Total, 55 years and over	3.2%	2.4%	6.6%	5.5%	5.8%	6.0%
Men 55+	3.2%	2.3%	6.2%	5.2%	5.9%	5.9%
Women 55+	3.3%	2.6%	7.2%	5.8%	5.8%	6.1%

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 December, the average duration of unemployment was 24.5 weeks for those ages 45 to 54, 28.6 weeks for those ages 55 to 64, and 25.4 weeks for those ages 65 and over.

TABLE 2  
Duration of Unemployment by Age, December 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	10,404	2,813	2,211	5,380	1,502	3,878	22.8	16.1
16 to 19 years	789	356	198	235	87	149	14.8	5.5
20 to 24 years	1,547	490	378	678	279	400	18.3	11.1
25 to 34 years	2,338	647	483	1,208	301	907	23.4	16.2
35 to 44 years	1,849	449	462	938	226	712	22.1	15.4
45 to 54 years	1,690	404	295	991	279	713	24.5	22.1
55 to 64 years	1,565	283	322	960	237	724	28.6	23.8
65 years and over	626	184	74	368	95	274	25.4	22.0

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*	Dec 2011	Dec 2012	Dec 2013	Dec 2014	Dec 2015	Dec 2016	Dec 2017	Dec 2018	Dec 2019	Dec 2020
20 years and over	8.6	22.5	19.5	19.2	13.6	11.3	10.9	9.1	9.1	8.8	17.8
55 to 64 years	10.8	31.4	28.4	25.9	20.5	16.7	15.6	12.4	10.9	9.6	23.8
65 years and over	7.4	39.8	17.1	19.0	22.0	16.7	13.1	9.0	9.2	6.2	22.0

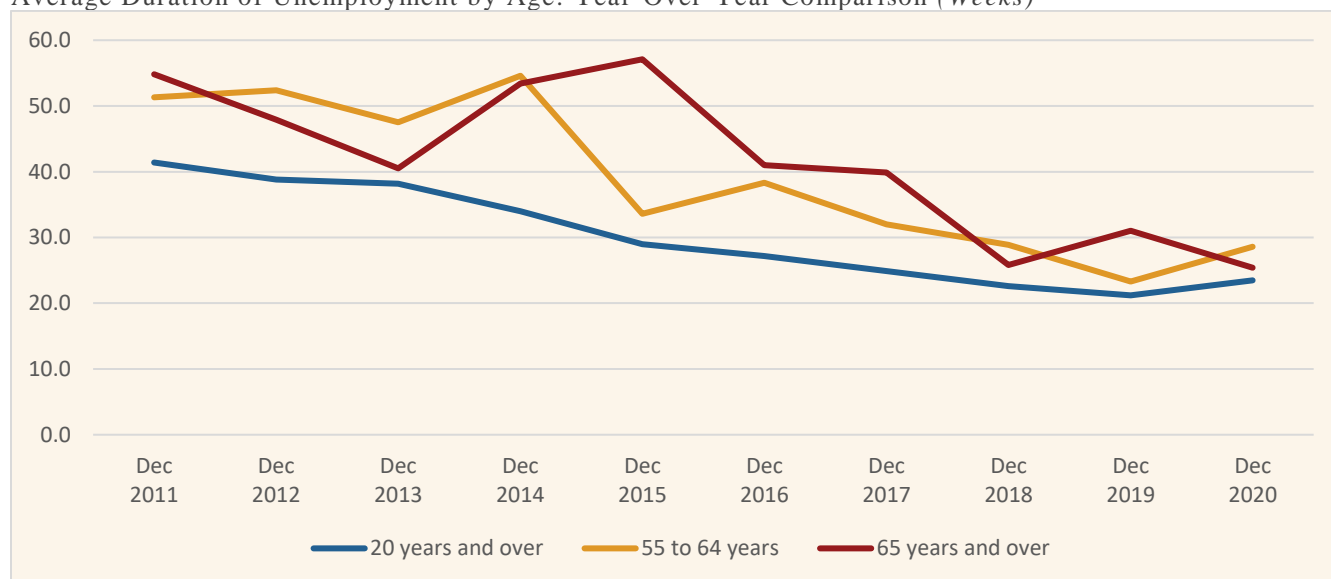
Source: U.S. Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted. \* Beginning of the Great Recession, which officially ended in June 2009.

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

Age	Dec 2011	Dec 2012	Dec 2013	Dec 2014	Dec 2015	Dec 2016	Dec 2017	Dec 2018	Dec 2019	Dec 2020
20 years and over	41.4	38.8	38.2	34.0	29.0	27.2	24.9	22.6	21.2	23.5
55 to 64 years	51.3	52.4	47.5	54.6	33.6	38.3	32.0	28.9	23.3	28.6
65 years and over	54.8	47.9	40.5	53.4	57.1	41.0	39.9	25.8	31.0	25.4

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. In December 35.1 percent of jobseekers ages 16 to 54 were long-term unemployed, down slightly from 35.7 percent in November. Meanwhile, 45.5 percent of jobseekers ages 55 and older were long-term unemployed in December, a slight decrease from 45.6 percent in November.

TABLE 5  
Long-term Unemployment by Age, December 2020

Age (years)	Total Unemployed (thousands)	Number Unemployed 27 Weeks and over (thousands)	Long Term Unemployed (%)
Ages 16 to 54	8,213	2,881	35.1%
Ages 55 and over	2,191	998	45.5%

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). In December, the total labor force participation rate held steady at 61.5 percent and decreased slightly for those ages 55+ at 38.6 percent. The (unadjusted) rate for those ages 65 and older decreased slightly, from 19.5 percent in November to 19.1 percent in December.

TABLE 6  
Labor Force Participation Rate by Age

Age	Dec 2007*	Dec 2019	Sep 2020	Oct 2020	Nov 2020	Dec 2020
Total, 16 years and over	66.0%	63.3%	61.4%	61.6%	61.5%	61.5%
16 to 24 years	59.2%	55.9%	54.4%	55.5%	55.2%	55.3%
25 to 54 years	83.1%	82.9%	80.9%	81.3%	80.9%	81.0%
55 and over	38.9%	40.3%	38.9%	38.8%	38.8%	38.6%
65 and over	16.3%	20.6%	19.5%	19.3%	19.5%	19.1%

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 December, the year-over-year employment rate for individuals ages 25 to 54 decreased to 76.3 percent. The rate for those ages 55+ declined to 36.3 percent, and for those ages 65+, it declined to 18 percent (unadjusted).

TABLE 7  
Employment Rate

Age	Dec 2007*	Dec 2012	Dec 2013	Dec 2014	Dec 2015	Dec 2016	Dec 2017	Dec 2018	Dec 2019	Dec 2020
25 to 54 years	79.7%	76.0%	76.1%	77.1%	77.4%	78.1%	79.0%	79.6%	80.4%	76.3%
55 and over	37.7%	38.3%	37.9%	38.4%	38.6%	38.3%	38.5%	39.1%	39.3%	36.3%
65 and over	15.8%	17.4%	17.5%	17.8%	18.1%	18.1%	18.4%	19.1%	20.1%	18.0%

Source: U.S. Department of Labor, Bureau of Labor Statistics. 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](http://www.bls.gov/cps).

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