The Employment Situation, February 2011:
Unemployment Down for Older Women but Not for Men

About 60,000 fewer people aged 55 and over were unemployed in February than in January, as the unemployment rate for this age group fell from 6.7 percent to 6.4 percent.

Improvement in the unemployment rate was concentrated among older women in February; the unemployment rate for older men remained unchanged at 7.1 percent. The rate for women fell from 6.3 percent to 5.7 percent.

Average duration of unemployment for older jobseekers rose in February to 45.5 weeks. Half (50.2 percent) had been out of work for 27 or more weeks, little changed from January.

The number of older involuntary part-time workers barely changed in February. Somewhat more older people wanted a job but were not looking for one because they were discouraged about their job prospects.

Employment Change by Sector

Nonfarm payroll employment increased by 192,000 in February, considerably above the 63,000 reported for January. Employment increases occurred in professional and business services (47,000), health care (34,000), manufacturing (33,000), and transportation and warehousing (22,000). Construction showed a job gain as well (33,000). Employment in state and local government was down (30,000).

Unemployment Rates

At 8.9 percent, the overall unemployment rate in February remained little changed from January’s 9.0 percent. Nearly 13.7 million people aged 16 and over reported that they were out of work and looking for a job in February. This was a decrease of 190,000 since January, a far smaller decline than the 622,000 drop between December and January.

The unemployment rate for people aged 55 and over fell in February, declining from 6.7 percent to 6.4 percent, a rate still far above what it was (3.2 percent) at the start of the Great Recession in December 2007. It was, however, lower than the 7.0 percent in June 2009, the trough, or end, of the recession. Nonetheless, the February unemployment rate for people aged 55 and over continues the trend of high unemployment rates not experienced by this age group for the past six decades.

Just under 2 million people aged 55 or older were unemployed in February, 60,000 fewer than in January. Older people were 14.3 percent of the unemployed in February, about what they were in January (14.6 percent). The unemployment rate for older men remained unchanged at 7.1 percent in February. After rising in January, the unemployment rate for older women fell from 6.3 percent to 5.7 percent in February. (See figure 1.)
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The unemployment rate for people aged 55 and over remains lower than rates for the total labor force, prime-age workers (ages 25–54), and, especially, the workforce aged 16–24 (figure 2). However, since the start of the recession, both the number of unemployed and the unemployment rate have increased by a greater percentage for the segment of the workforce aged 55 and over than for younger segments (table 1). The February 2011 unemployment rate for older people, for example, was double what it was in December 2007.

Since June 2009, the official end of the recession according to the National Bureau of Economic Research, the unemployment rate has fallen. Older

![Figure 1](image1.png)

*Figure 1*  
Unemployment Rates for Men and Women* Aged 55 and Over, December 2007–February 2011

*Rates for women are not seasonally adjusted. See text note 4.


![Figure 2](image2.png)

*Figure 2*  
Unemployment Rates by Age, December 2007, June 2009, and February 2011

December 2007 and June 2009 are, respectively, the start and end of the recent recession.

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people are still the only age group in table 2 to have experienced growth in employment between June 2009 and February 2011. However, the number unemployed and the unemployment rate have declined for all age groups.

Duration of Unemployment

Once unemployed, older workers, on average, are out of work longer than their younger counterparts. As was the case in January, average duration of unemployment rose in February for jobseekers aged 55 and over—to 45.5 weeks from 44.4 weeks the month before. (At the start of the recession in January 2007, the average duration of unemployment for older jobseekers was 20.2 weeks; at the June 2009 trough, it was 29.9 weeks.) The recession may be over, but average duration of unemployment has continued to rise, increasing for the older unemployed by 48 percent between the start and end of the recession (December 2007–June 2009) and by 52 percent since the recession ended (June 2009–February 2011).

Average duration of unemployment for younger jobseekers also rose in February—to 35.2 weeks from 33.9 weeks.

As of February, half of older unemployed workers, or 50.2 percent, were “long-term unemployed”; that is, they had been out of work for 27 or more weeks. This figure was essentially unchanged since January (50.5 percent). At 40.2 percent, the percentage of younger jobseekers who had been out of work for 27 or more weeks was also about what it was in January (40.8 percent).

Table 1
Selected Employment Indicators, December 2007 (Start of the Recession) and February 2011, by Age Group (seasonally adjusted)

<table>
<thead>
<tr>
<th>Age</th>
<th>Number Employed (000s)</th>
<th>Number Unemployed (000s)</th>
<th>Unemployment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total, 16+*</td>
<td>146,272</td>
<td>139,573</td>
<td>-4.6%</td>
</tr>
<tr>
<td>16–24</td>
<td>19,596</td>
<td>17,254</td>
<td>-12.0%</td>
</tr>
<tr>
<td>25–54</td>
<td>100,465</td>
<td>93,764</td>
<td>-6.7%</td>
</tr>
<tr>
<td>55+</td>
<td>26,240</td>
<td>28,481</td>
<td>8.5%</td>
</tr>
</tbody>
</table>

*Estimates for specific age groups above do not add up to the total 16+ because the seasonal adjustments are made independently.


Table 2
Selected Employment Indicators, June 2009 (End of the Recession) and February 2011, by Age Group (seasonally adjusted)

<table>
<thead>
<tr>
<th>Age</th>
<th>Number Employed (000s)</th>
<th>Number Unemployed (000s)</th>
<th>Unemployment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total, 16+*</td>
<td>139,978</td>
<td>139,573</td>
<td>-0.3%</td>
</tr>
<tr>
<td>16–24</td>
<td>17,705</td>
<td>17,254</td>
<td>-2.5%</td>
</tr>
<tr>
<td>25–54</td>
<td>95,221</td>
<td>93,764</td>
<td>-1.5%</td>
</tr>
<tr>
<td>55+</td>
<td>27,090</td>
<td>28,481</td>
<td>5.1%</td>
</tr>
</tbody>
</table>

*Estimates for specific age groups above do not add up to the total 16+ because the seasonal adjustments are made independently.

The percentage of unemployed workers who are among the long-term unemployed has grown significantly. In December 2007, only 23 percent of the older unemployed workforce and 17 percent of the younger were long-term unemployed. The comparable figures for June 2009 were 38 percent (older jobseekers) and 26 percent (younger jobseekers).

The Older Employed Population

Despite continuing high unemployment rates, millions of older Americans have succeeded in remaining employed, and the number with jobs has increased in most months since the start of the recession (figure 3). As of February, 28.3 million people aged 55 and over had jobs. This was an increase of 213,000 since January and of about 2.2 million, or 8.5 percent, since the start of the recession (table 1).

Much of the increase in the labor force participation and employment of older people in recent years is a result of the increase in the number of people aged 55 and over. In December 2007, there were 69.6 million people aged 55 and over in the United States. As of February 2011, that number had increased to 76 million, or by 9.2 percent. Even if the labor force participation rate for this age group had remained at its December 2007 level (38.9 percent), the aged 55-plus labor force would have risen from 27.1 million to 29.6 million. But as it was, with a participation rate of 40.1 percent, 30.4 million people aged 55 or older were in the labor force in February.

Part Time for Economic Reasons

Part-time work appeals to many older workers interested in scaling back while remaining attached to the labor force. However, not every part-time worker wants part-time work. In February, 1.4 million older nonagricultural workers were working part time because they had no choice, little changed from the January figure. These workers, also known as involuntary part-timers, were employed part time for economic reasons, that is, because of slack working conditions or because they could not find full-time work. They were 5.4 percent of all older nonagricultural workers in February, exactly what they were in January. Differences by sex were not large: 5.1 percent of employed older men and 5.6 percent of employed older women in

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**Figure 3**

*Number of Employed Persons Aged 55 and Over, December 2007–February 2011 (in thousands)*

nonagricultural industries were working part time for economic reasons in February.

The proportion of older nonagricultural workers working part time for economic reasons in February was more than double what it was at the start of the recession. In December 2007, only 2.4 percent of older workers were working part time because they could not find full-time work. The percentage of older involuntary part-time workers has not improved since the end of the recession in June 2009, when 4.9 percent were working part time for economic reasons.

**Multiple Jobholders**

Working more than one job may indicate an inability to find a job that pays enough or provides enough hours. Relatively few workers aged 16 and over—5.0 percent—were multiple jobholders in February, little changed since January (4.8 percent). In February, 4.7 percent of workers aged 55 and over held more than one job, also not much different from January’s 4.5 percent. Differences by sex were small: 4.5 percent of men and 4.9 percent of women were multiple jobholders in February.

**Self-employment**

Some wage and salary workers move into self-employment upon job loss. Published monthly self-employment figures are available from the Bureau of Labor Statistics (BLS) only for unincorporated workers employed in their own business, profession, trade, or farm. (BLS regards self-employed workers who report being incorporated as employees of a corporation and thus classifies them as wage and salary workers.) The number of older unincorporated self-employed workers in nonagricultural industries increased from fewer than 2.6 million in December 2007 to just over 2.8 million in February 2011, but the percentage of self-employed was almost unchanged. After having fallen by 74,000 in January, the number of self-employed rose by about 54,000 in February, or from 10.2 percent to 10.3 percent of all older nonagricultural workers. There was, however, some slight fluctuation in self-employment over the course of the recession; in June 2009, 10.8 percent of older nonagricultural workers could be classified as self-employed.

**Interest in Working**

Most older people who are out of the labor force say that they do not want a job (97 percent), a figure that has remained stable since the start of the recession in January 2007. The number of older people out of the labor force but expressing interest in work dipped by under 2 percent between January 2011 and February 2011. Still, it was 76 percent higher than at the start of the recession (1,454,000 vs. 826,000) and about 18 percent higher than at the trough (1,454,000 vs. 1,229,000).

The number of older discouraged workers had fallen in January 2011 but then rose from 200,000 to 241,000 in February, or by about 20 percent. In February, discouraged workers were 16.6 percent of the population of older people who were not in the labor force but who wanted a job, only slightly above the 13.5 percent of the month before. Discouraged workers are not looking for work because they believe that no work is available, employers would find them too old, they lack the necessary schooling/training, or they face other types of discrimination. At the start of the recession in December 2007, only 53,000 older people were classified as discouraged workers.

**A Look at the Aged 65-plus Workforce**

The labor force participation rate of people aged 65 and over has increased
markedly in recent years. In 2010, an average of 17.4 percent of people aged 65 and over were in the labor force, up from 10.8 percent in 1985.

The number of labor force participants aged 65 and over has increased by nearly 17 percent (or by 1 million workers and jobseekers) since December 2007. As of February 2011, nearly 7 million members of the labor force (4.6 percent of the total) were at least 65 years old.

The labor force participation rate for people aged 65 and over was 17.7 percent in February, slightly above what it was in January (17.5 percent). The unemployment rate for this age group fell from 6.9 percent in January to 6.2 percent in February. However, that rate is still well above what it was in December 2007, when only 3.3 percent were unemployed.

Duration of unemployment for jobseekers aged 65 and over averaged 50.8 weeks, up a week and a half from January’s average of 49.3 weeks. (Duration of unemployment for this age group averaged 20.2 weeks in December 2007.) Long-term unemployment showed little change for jobseekers aged 65 and over—53.2 percent in January and 52.8 percent in February had been out of work for more than six months. The February figure was 126 percent higher than at the start of the recession (23.4 percent) and 41 percent higher than at the trough (37.4 percent).

**Concluding Observations**

The February decline in unemployment for the older population was welcome news. However, in contrast to the month before, it was women and not men who experienced this decline. The unemployment rate for men was unchanged at 7.1 percent. In addition, the unemployment rate for people aged 55 and over, though below its recent peak (7.3 percent in August 2010), continued at historically high levels and well above the 3.2 percent that it was at the start of the recession. Furthermore, the average duration of unemployment rate for older jobseekers remained stubbornly high. As of February 2011, older jobseekers had been out of work for an average of almost 46 weeks.

The percentage of older workers employed part time because they could not find full-time work, though low, showed no change February. There were another 1.4 million older people who were not in the labor force—and thus not counted among the unemployed—who would like to be working; this figure was virtually identical to last month’s. The number of discouraged workers, which had fallen sharply in January, increased slightly in February.

The number of discouraged workers has fluctuated considerably since the start of the recession. Some of this could be due to changing perceptions of labor market conditions and existing job opportunities; some could be due to actual experiences in the hunt for work. And some might be due to the instability of the small samples on which estimates of older discouraged workers are based.

Although the employment picture for the country’s older population improved somewhat in February—more had jobs, fewer were unemployed—older jobseekers did not seem to make any headway in the job market. For this group, in particular, the employment situation continues to be grim.

**Notes**

1 Unless otherwise specified, “older” refers to people aged 55 and over. Employment and unemployment figures are seasonally adjusted unless otherwise noted.

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3 The 63,000 figure for January is higher than that reported in last month’s fact sheet (36,000); it has been adjusted by BLS. The figure for February is preliminary and may be adjusted as well.

4 The unemployment rate for men aged 55 and over is seasonally adjusted; the rate for women aged 55 and over is not. According to BLS, unemployment for women in this age group does not appear to show seasonal variation.

5 Duration of unemployment figures are not seasonally adjusted.

6 Involuntary part-time figures are not seasonally adjusted.

7 Multiple jobholder figures are not seasonally adjusted.

8 Self-employment figures are not seasonally adjusted.

9 Data in this section are not seasonally adjusted.

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Written by Sara E. Rix
AARP Public Policy Institute,
601 E Street, NW, Washington, DC 20049
www.aarp.org/ppi
202-434-3910, mailto:ppi@aarp.org
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