



Unemployment Rate Hits All-Time High for Adults Age 65 and Older

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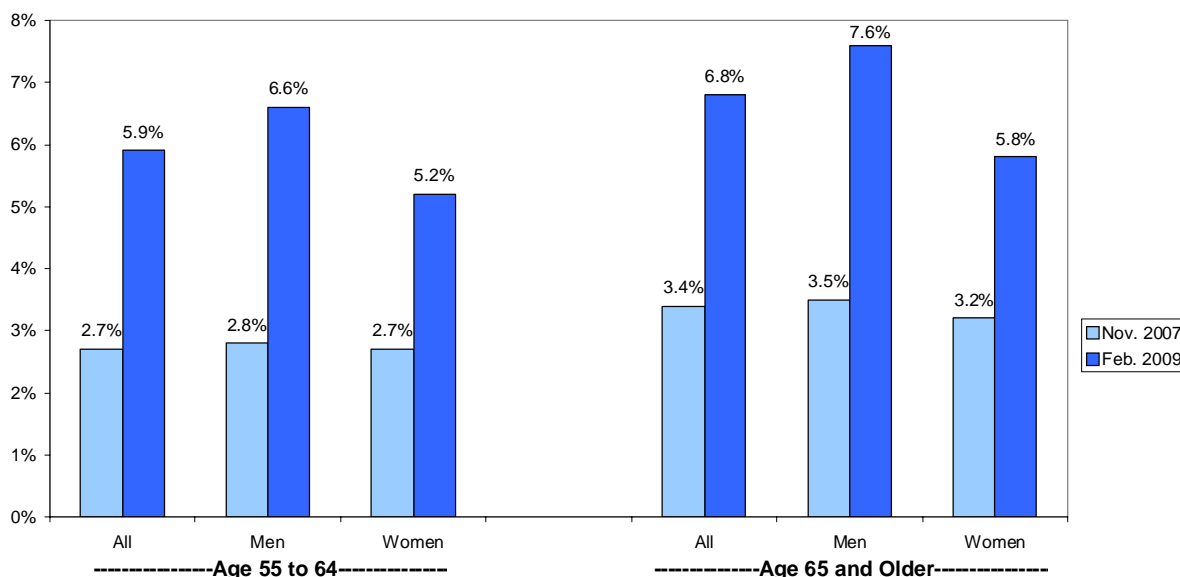
Richard W. Johnson and Corina Mommaerts

The unemployment rate for adults age 65 and older reached 6.8 percent in February 2009, the highest level recorded since the federal government began computing reliable unemployment rates in 1948. About 433,000 adults age 65 and older were out of work and actively seeking employment last month, more than twice as many as in November 2007, just before the recession began. Another 1.3 million adults age 55 to 64 were unemployed in February, although the unemployment rate edged down last month for women age 55 to 64. Senior unemployment rates were particularly high among African Americans, Hispanics, those who did not complete high school, and those in the construction, manufacturing, and leisure and hospitality industries.

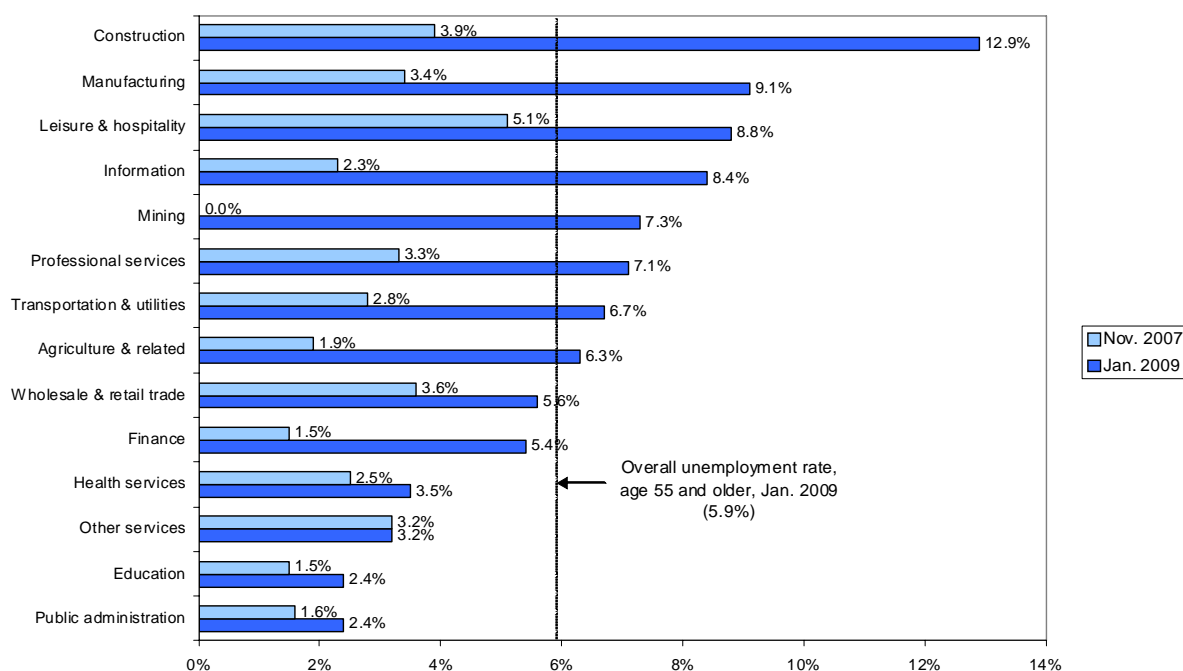
Unemployment Rates Surge for Workers Age 65 and Older

- The unemployment rate for men age 65 and older increased to 7.6 percent last month, its highest level since the Bureau of Labor Statistics began using the Current Population Survey in 1948 to track joblessness (figure 1). The unemployment rate for women age 65 and older increased to 5.8 percent, the highest rate since July 1992.
- Compared with past recessions, more older men are now remaining in the labor force as job prospects deteriorate. With the slumping stock market eroding retirement accounts, few workers can afford to retire early. Between November 2007 and February 2009, the share of men age 65

Figure 1. Unemployment Rates for Older Adults, Nov. 2007 and Feb. 2009



Source: Bureau of Labor Statistics (2009).
Note: Estimates are not seasonally adjusted.

Figure 2. Unemployment Rates by Industry, Age 55 and Older, Nov. 2007 and Jan. 2009

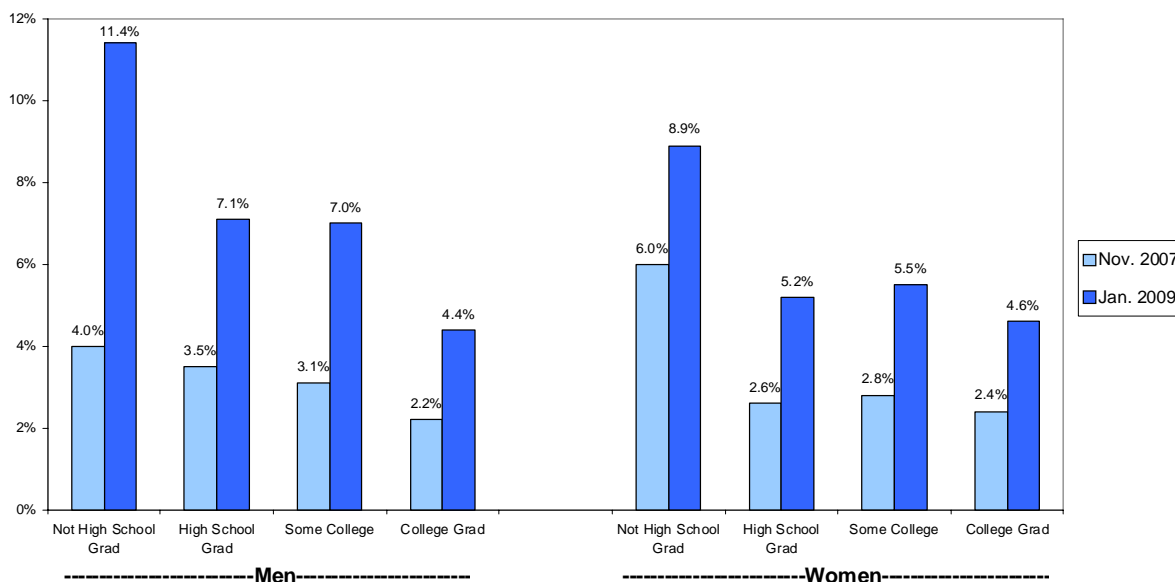
Source: Authors' calculations from the Current Population Survey.
 Note: Estimates are not seasonally adjusted.

and older participating in the labor force—working or looking for work—increased by 0.6 percentage points, to 21.6 percent. Participation rates for men age 65 to 69, who are more likely to work than older men, increased by 1.7 percentage points. During the first 15 months of the severe 1973–75 recession, by contrast, the participation rate for men age 65 and older fell by 1.4 percentage points (to 21.9 percent).

- The unemployment rate for adults age 55 to 64 was 5.9 percent in February 2009, down 0.1 percentage points from January 2009. Over the past month, the unemployment rate increased 0.2 points for men (to 6.6 percent), while falling 0.3 points for women (to 5.2 percent).

Older Workers in Construction and Manufacturing Are Hit Hardest

- Senior unemployment rates have increased across nearly all industries, and are highest in construction, manufacturing, and leisure and hospitality (figure 2). Between November 2007 and January 2009—the most recent data for older adults that can be broken down by industry, education, and race—unemployment rates for adults age 55 and older have more than tripled in construction, mining, agriculture, finance, and information (which includes telecommunications, publishing, and the media). Job losses among older workers in education, public administration, health services, and other nonprofessional services have been modest, however.
- Manufacturing, wholesale and retail trade, construction, and professional services accounted for more than half (54 percent) of all unemployed workers age 55 and older in January 2009.¹

Figure 3. Unemployment Rates by Education, Age 55 and Older, Nov. 2007 and Jan. 2009

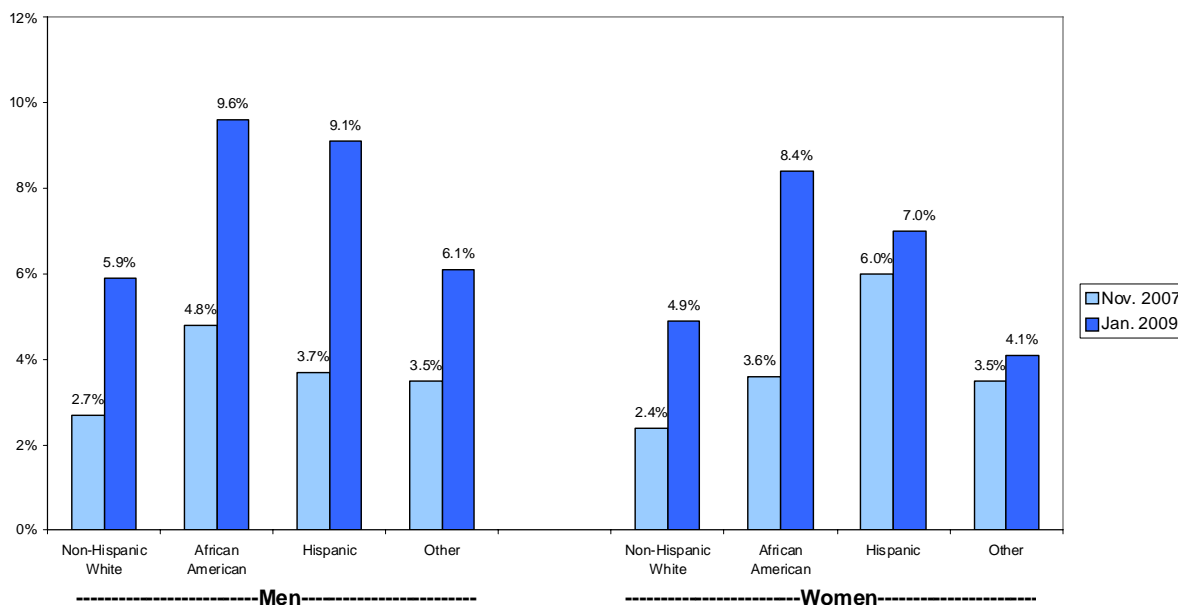
Source: Authors' calculations from the Current Population Survey.

Note: Estimates are not seasonally adjusted.

Jobless Rates Increase for All Education, Race, and Ethnic Groups

- As the recession deepens and its effects spread throughout the economy, unemployment rates have increased for both well-educated older workers and those with only limited schooling (figure 3). Between November 2007 and January 2009, for example, the age-55-and-older unemployment rate doubled for male college graduates and nearly tripled for men who did not complete high school. At 11 percent, however, the unemployment rate for older men who did not complete high school remains more than the double that for their college-educated counterparts.
- Since the recession began, older men's unemployment rates have more than doubled for non-Hispanic whites, African Americans, and Hispanics (figure 4). Nonetheless, older white men remain less likely to be unemployed than other race and ethnic groups. In January 2009, about one in ten older African American male workers and 1 in 11 older Hispanic male workers were unemployed, compared with about 1 in 17 older white male workers.
- Unemployment rates are lower for older women than older men, but they have increased substantially for non-Hispanic whites, African Americans, and all education groups. For example, unemployment rates for women age 55 and older have more than doubled among African Americans and have about doubled among both high school graduates and college graduates.

**Figure 4. Unemployment Rates by Race and Ethnicity, Age 55 and Older,
Nov. 2007 and Jan. 2009**



Source: Authors' calculations from the Current Population Survey.

Note: Estimates are not seasonally adjusted. "Other" includes adults of mixed race.

Note

1. These estimates are based on the authors' computations from the January 2009 Current Population Survey.

Reference

Bureau of Labor Statistics. 2009. "Labor Force Statistics from the Current Population Survey."
Washington, DC: Bureau of Labor Statistics. <http://data.bls.gov/PDQ/outside.jsp?survey=ln>.

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The Retirement Policy Program addresses how current and proposed retirement policies, demographic trends, and private sector practices affect the well-being of older individuals, the economy, and government budgets.

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