

May 28, 2020

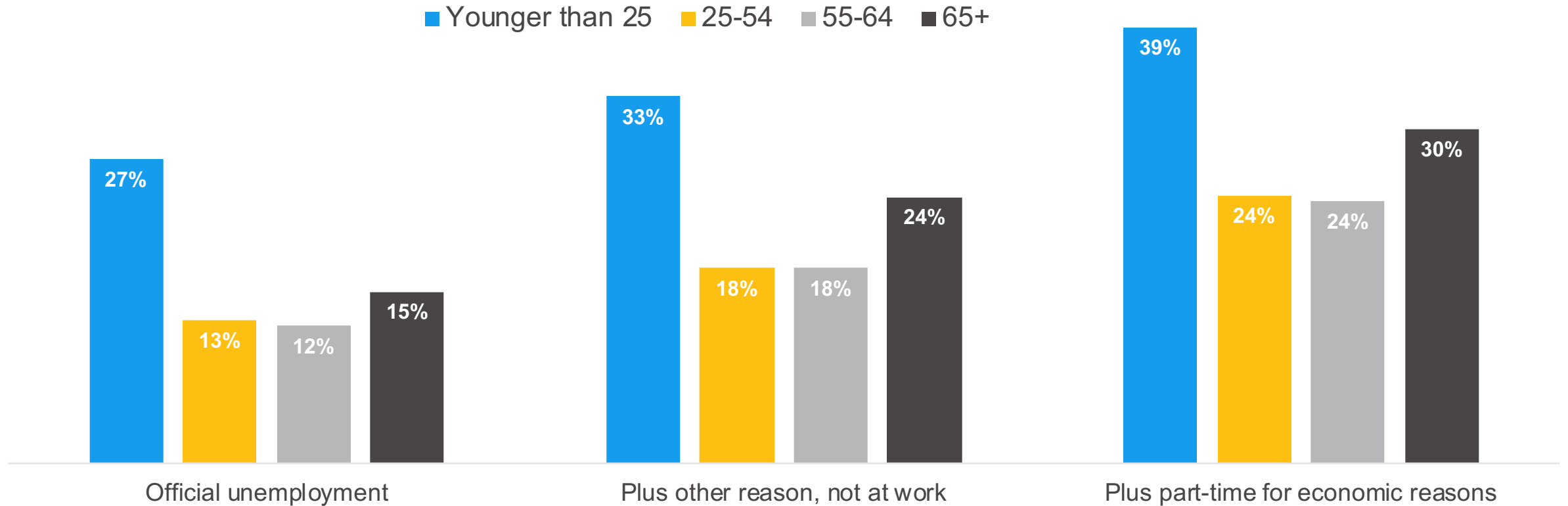
Older Workers and COVID-19: The Harsh Economic Realities



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The unemployment rate at ages 65+ exceeds the rate at ages 25 to 54 by nearly 3 percentage points, the biggest gap ever

Unemployment and underemployment rates by age, April 2020

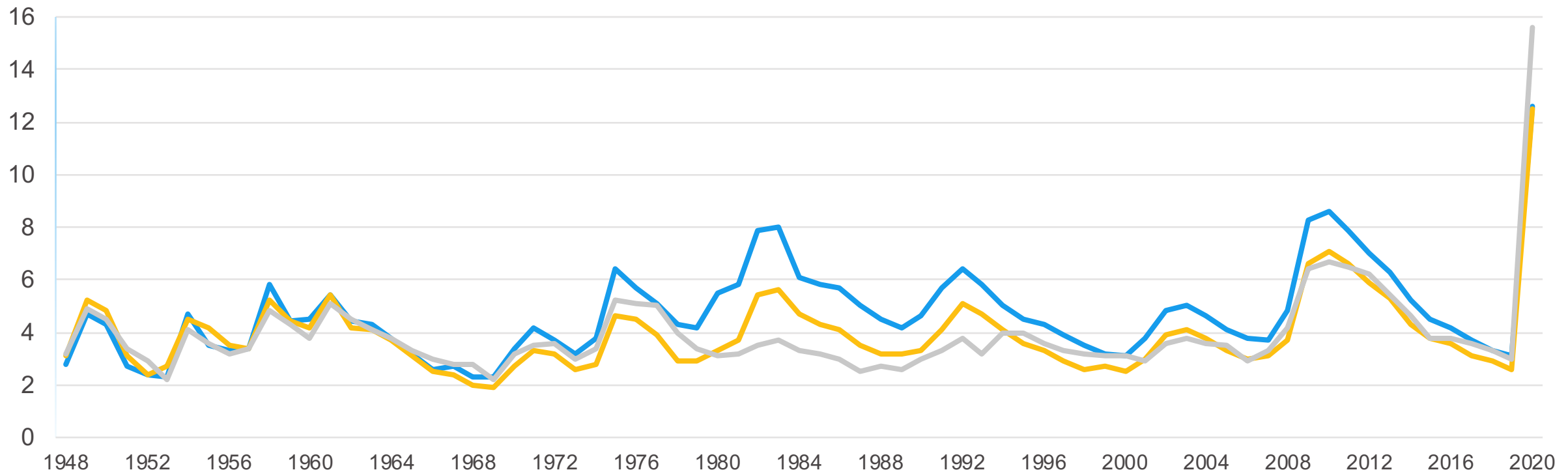


Source: Author's calculations from Current Population Survey data.

During past recessions, older workers were less likely to become unemployed than younger workers

Unemployment rate by age, 1948-2020 (%)

— 25-54 — 55-64 — 65+

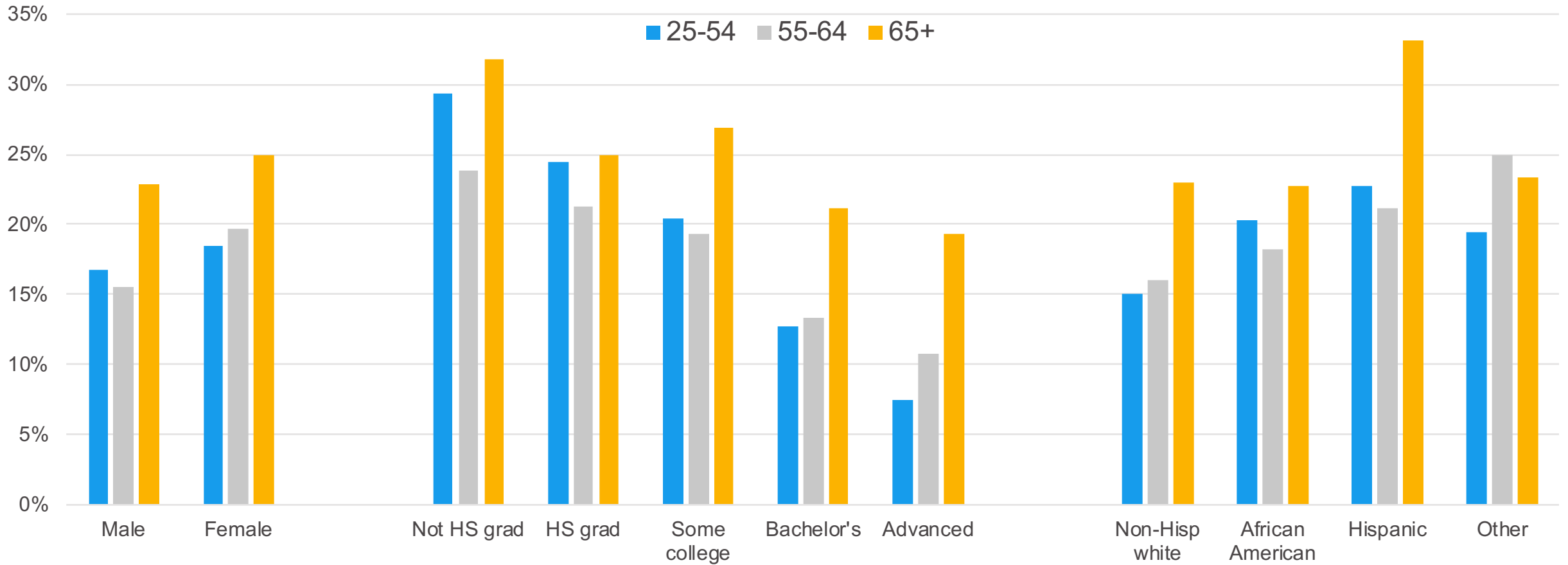


Source: Author's estimates from BLS data.

Note: The 2020 unemployment rate is for April only. Other rates are annual averages

For nearly all demographic groups, unemployment rates are higher at ages 65+ than at younger ages

Expanded unemployment rates by age and demographics, April 2020

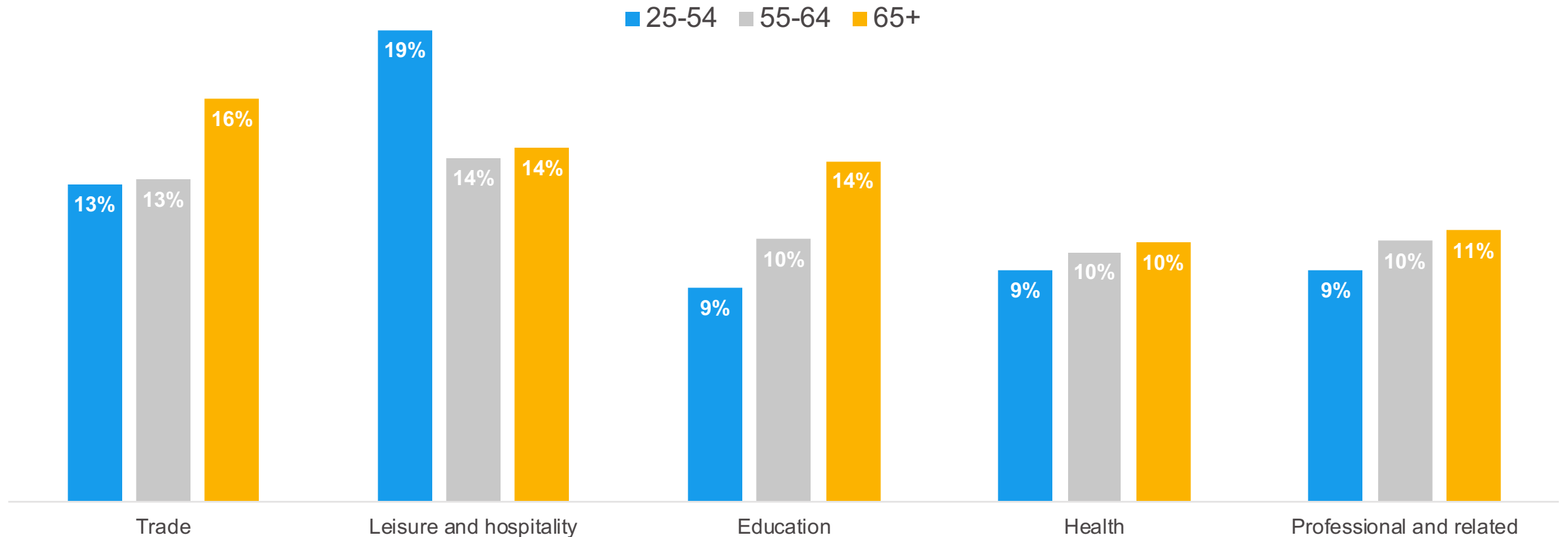


Source: Author's calculations from Current Population Survey data.

Note: Expanded unemployment rate includes workers who report not being at work for "other" reasons.

The majority of older unemployed workers are in the trade, leisure and hospitality, education, and professional and related industries

Share of unemployed workers by industry and age



Source: Author's calculations from Current Population Survey data.

Note: Based on expanded unemployment rate, which includes workers who report not being at work for "other" reasons.

Job loss has serious consequences for older workers

- Older displaced workers are less likely to become reemployment than their younger counterparts
 - Share of displaced workers reemployed within 18 months during the Great Recession, by age: 25-49: 78%
50-61: 64%
62+: 41%
- Upon reemployment, older displaced workers experience larger wage losses than their younger counterparts
 - Wage losses by age during the Great Recession: 25-34: 11%
35-49: 19%
50-61: 23%
62+: 47%