

Issues in Labor Statistics

U.S. Department of Labor U.S. Bureau of Labor Statistics



Ranks of those unemployed for a year or more up sharply

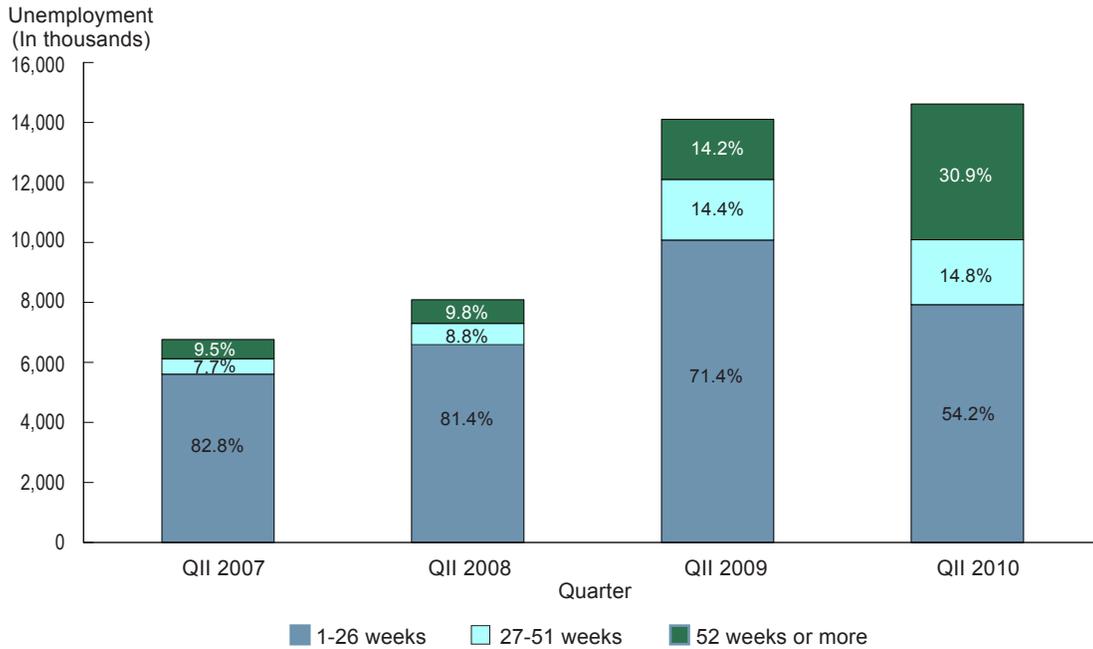
The number of long-term unemployed workers has increased sharply since the recession began in December 2007.¹ In the second quarter of 2010, about 46 percent of the 14.6 million unemployed persons were jobless for 27 weeks or longer and about 31 percent were unemployed for 52 weeks or longer. This report focuses on the latter group – those who have been jobless for a year or more.²

The number of persons jobless for a year or more rose from 645,000 in the second quarter of 2007 to 4.5 million in the second quarter of 2010. The group's share of total unemployment jumped from 9.5 percent to a record high of 30.9 percent. (See chart 1.) As a share of the labor force, the proportion jobless for a year or longer rose from 0.4 percent in the second quarter of 2007 to 2.9 percent in the second quarter of 2010, also a record high for the series. (See chart 2.) Some researchers have attributed the rise in long-term unemployment to the tendency of firms to hire individuals who have been jobless for shorter durations first, thus increasing the share of unemployed persons who have been jobless for very long periods.³ Others have found that declining worker turnover rates have led to increased unemployment durations for those workers who involuntarily lost their job during the recent recession.⁴ It also has been suggested

that the availability of extended unemployment insurance benefits has contributed to the increase in unemployment duration, although some researchers have argued that the extension of unemployment benefits has had a limited impact on unemployment duration in the recent recession.⁵

Among the major worker groups, men made up 61.3 percent of those unemployed for a year or more, compared with 58.1 percent of total unemployment in the second quarter of 2010. (See table 1.) Persons aged 25 to 54 and 55 years and older also were somewhat overrepresented among those jobless for a year or more.⁶ Persons aged 16 to 24 accounted for a considerably smaller share of year-or-longer unemployment than of total unemployment, partially a reflection of the fact that younger persons are more likely to drop out of the labor force than the older unemployed.⁷ The underrepresentation of youth among those unemployed for a year or longer also likely reflects the highly seasonal nature of the youth labor force, which grows sharply during the summer months and recedes with the beginning of the school year.⁸ By race, Whites made up nearly 74 percent of all unemployed persons and 70 percent of those jobless for a year or more. Blacks accounted for 19.1 percent of total unemployment and made up 22.7 percent of the ranks of those unemployed for a year or more. Persons of Hispanic or Latino ethnicity made up 16.7 percent of those jobless

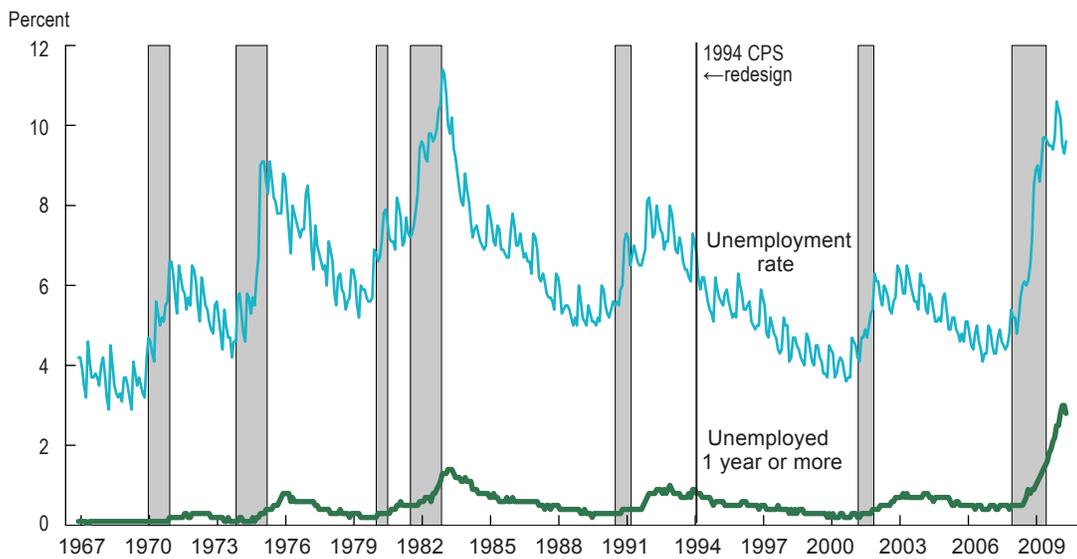
Chart 1. Duration of unemployment, not seasonally adjusted, second quarter 2007–10



NOTE: Totals may not sum to 100.0 percent due to rounding.

SOURCE: Bureau of Labor Statistics, Current Population Survey.

Chart 2. Unemployment rate and percent of the labor force jobless for 1 year or more, 1967–2010



NOTE: Shaded areas represent recessions, as determined by the National Bureau of Economic Research (NBER). Beginning in 1994, data reflect the introduction of a major redesign of the Current Population Survey (CPS). All estimates are not seasonally adjusted.

SOURCE: Bureau of Labor Statistics, Current Population Survey.

for a year or more, compared with 18.4 percent of unemployed persons.

By educational attainment, the distribution of those jobless for a year or more was similar to the distribution for total unemployment. (See table 1.) Joblessness for a year or longer has increased regardless of educational attainment.

In summary, the number of persons unemployed for a year or longer has increased considerably since the onset of the recession in December 2007. In the second quarter of 2010, the share of the labor force unemployed for a year or longer reached a

record high. Men and persons aged 25 and older were somewhat overrepresented among those jobless for a year or more.

This *Issues* paper was prepared by Thomas Luke Spreen, an economist in the Division of Labor Force Statistics, Office of Employment and Unemployment Statistics. Email: CPSinfo@bls.gov; Telephone: (202) 691-6378. Information in this summary will be made available to sensory-impaired individuals upon request. Voice phone: (202) 691-5200. Federal Relay Service: 1-800-877-8339. This report is in the public domain and may be reproduced without permission. ■

Table 1. Distribution of unemployment by selected characteristics, not seasonally adjusted, second quarter 2010
 (Levels in thousands)

Characteristic	Unemployed			
	Total unemployed		Unemployed 52 weeks or more	
	Number	Percent distribution	Number	Percent distribution
Sex				
Total, 16 years and older	14,621	100.0	4,523	100.0
Men	8,491	58.1	2,773	61.3
Women	6,130	41.9	1,750	38.7
Age				
16–24 years	4,046	27.7	779	17.2
25–54 years	8,576	58.7	2,928	64.7
55 years and older	1,999	13.7	816	18.0
Race and Ethnicity				
White	10,773	73.7	3,165	70.0
Black or African American	2,796	19.1	1,026	22.7
Asian	535	3.7	208	4.6
Hispanic or Latino	2,695	18.4	756	16.7
Educational attainment				
Total, 25 years and over	10,575	100.0	3,744	100.0
Less than a high school diploma	1,688	16.0	573	15.3
High school graduates, no college	3,929	37.2	1,451	38.8
Some college or associate degree	2,934	27.7	1,021	27.3
College graduates	2,024	19.1	699	18.7

NOTE: Totals may not sum to 100.0 percent due to rounding. Persons whose ethnicity is identified as Hispanic or Latino may be of any race. High school graduates include persons with a high school diploma or equivalent. College graduates include persons with a bachelor's, master's, professional, or doctoral degree.

SOURCE: Bureau of Labor Statistics, Current Population Survey.

Notes

¹On September 20, 2010 the National Bureau of Economic Research declared that the recession that began in December 2007 ended in June 2009.

²As measured by the Current Population Survey, a person is counted as unemployed if they do not have a job, have actively looked for work in the last 4 weeks, and are currently available for work. The duration of unemployment represents the length of time (through the current reference week) that individuals classified as unemployed have been looking for work and refers to job searches in continuous progress rather than the duration of a completed spell. All estimates in this report are not seasonally adjusted.

³See Daniel Aaronson, Bhashkar Mazumder, and Shani Schechter, "What is Behind the Rise in Long-term Unemployment?" Federal Reserve Bank of Chicago *Economic Perspectives*, 2nd Quarter 2010, on the Internet at http://www.chicagofed.org/digital_assets/publications/economic_perspectives/2010/2qtr2010_part1_aaronson_mazumder_schechter.pdf (visited September 17, 2010).

⁴See Murat Tasci and Saeed Zaman, "Unemployment after the Recession: A New Natural Rate?," Federal Reserve Bank of Cleveland *Economic Commentary*, September 2010, on the Internet at <http://www.clevelandfed.org/research/commentary/2010/2010-11.cfm> (visited September 17, 2010).

[research/commentary/2010/2010-11.cfm](http://www.clevelandfed.org/research/commentary/2010/2010-11.cfm) (visited September 17, 2010).

⁵See Rob Valletta and Katherine Kuang, "Extended Unemployment and UI Benefits," Federal Reserve Bank of San Francisco *Economic Letter*, April 2010, on the Internet at <http://www.frbsf.org/publications/economics/letter/2010/el2010-12.html> (visited September 17, 2010). See also Michael Elsby, Bart Hobijn, and Ayşegül Şahin, "The Labor Market in the Great Recession," NBER Working Paper No. 15979, May 2010, on the Internet at <http://www.nber.org/papers/w15979> (visited September 17, 2010).

⁶For more information on older workers in the current recession, see Emy Sok, "Record unemployment among older workers does not keep them out of the job market," *Issues in Labor Statistics*, Summary 10-04, March 2010, on the Internet at <http://www.bls.gov/opub/iils/pdf/opbils81.pdf> (visited September 17, 2010).

⁷See Randy Ilg, "Long-term unemployment experience of the jobless," *Issues in Labor Statistics*, Summary 10-05, June 2010, on the Internet at <http://www.bls.gov/opub/iils/pdf/opbils82.pdf> (visited September 17, 2010).

⁸See "Employment and Unemployment Among Youth - Summer 2010" on the Internet at <http://www.bls.gov/news.release/pdf/youth.pdf> (visited September 17, 2010).