

Unemployment remains high in 2010

At 9.6 percent in the fourth quarter of 2010, the Nation's unemployment rate was slightly below its year-earlier level; the number of long-term unemployed reached a record high

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The U.S. labor market remained weak in 2010 in the wake of the marked economic deterioration that had taken place the previous 2 years. Although both the level and rate of unemployment fell during the first quarter of 2010—the first improvement since the 2007–09 recession¹—unemployment showed little or no change during the remainder of the year.

In the fourth quarter of 2010, 14.8 million persons were unemployed and the unemployment rate was 9.6 percent, down from a 26-year high of 10.0 percent a year earlier. During 2010, the number of employed persons 16 years and older, as measured by the Current Population Survey (CPS), increased by 751,000, to 139.1 million.² The rise in the number of employed persons in 2010 followed a sharp decline of 5.7 million in the prior year. (For a comparison of the employment measures available from the household and establishment surveys, see the box on page 4.) The employment-population ratio,³ 58.3 percent in the fourth quarter of 2010, was little changed over the year. The labor force—the sum of the employed and the unemployed—held steady during 2010, but a rise in the population resulted in a decline in the proportion of the population in the labor force: the labor force participation rate was 0.4 percentage point lower in the fourth quarter than a year earlier.

This article examines changes in key employment and unemployment time series in 2010, and takes a detailed look at the effects of those changes on various demographic and economic groups.

Unemployment and labor force underutilization

Unemployment fell modestly and rates for most groups were little changed. Between the fourth quarter of 2009 and the first quarter of 2010, the overall unemployment rate declined by 0.3 percentage point, to 9.7 percent. The rate then edged down to 9.6 percent in the second quarter and remained at that level for the second half of 2010. (See table 1.) The rate ended the year twice as high as it was at the start of the recession 3 years earlier (4.8 percent in the fourth quarter of 2007).⁴ (See chart 1.)

The number of unemployed persons reached a peak of 15.3 million in the fourth quarter of 2009 and fell to 14.8 million by the fourth quarter of 2010. The over-the-year reduction of 548,000 in the number of unemployed reflected mainly a decline of 467,000 between the fourth quarter of 2009 and the first quarter of 2010. The unemployment rate for adult men 20 years and older, 9.7 percent in the fourth quarter of 2010, was 0.7 percentage point lower than a year earlier. The over-the-year decrease in unemployment among adult men (–545,000) accounted for the entire decline in total unemployment. The jobless

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The CPS and the CES survey

The Bureau of Labor Statistics produces two monthly employment series that are independently obtained: the estimate of total nonfarm jobs, derived from the Current Employment Statistics (CES) survey, also called the establishment or payroll survey; and the estimate of total civilian employment, based on the Current Population Survey (CPS), also called the household survey. The two surveys use different definitions of employment, as well as different survey and estimation methods. The CES survey is a survey of employers that provides a measure of the number of payroll jobs in nonfarm industries. The CPS is a survey of households that provides a measure of employed people age 16 years and older in the civilian noninstitutional population. Employment estimates from the CPS give information about workers in both the agricultural and nonagricultural sectors and in all types of work arrangements: workers with wage and salary jobs (including employment in a private household), those engaging in self-employment, and those doing unpaid work for at least 15 hours a week in a business or farm operated by a family member. CES payroll employment estimates are restricted to nonagricultural wage and salary jobs and exclude private household workers. As a result, employment estimates from the CPS are higher than those from the CES survey. In the CPS, however, employed people are counted only once, regardless of whether they hold more than one job during the survey reference period. By contrast, because the CES survey counts the number of jobs rather than the number of people,

each nonfarm job is counted once, even when two or more jobs are held by the same person.

The reference periods for the surveys also differ. In the CPS, the reference period is the calendar week that includes the 12th day of the month. In the CES survey, employers report the number of workers on their payrolls for the pay period that includes the 12th of the month. Because pay periods vary in length among employers and may be longer than 1 week, the CES employment estimates can reflect longer reference periods.

For purposes of comparison, however, some adjustments can be made to CPS employment estimates to make them more similar in definitional scope to CES employment figures. BLS routinely carries out these adjustments to evaluate how the two employment series are tracking. The long-term trends in the two surveys' employment measures are quite comparable. Nonetheless, throughout the history of the surveys, there have been periods when the short-term trends diverged or when growth in one series significantly outpaced growth in the other. For example, following the end of the 2001 recession, CPS employment began to trend upward while CES employment continued to decline for a number of months.

BLS publishes a monthly report with the latest trends and comparisons of employment as measured by the CES survey and the CPS. (See "Employment from the BLS household and payroll surveys: summary of recent trends" (Bureau of Labor Statistics), on the Internet at www.bls.gov/web/ces_cps_trends.pdf.) This report includes a summary of possible causes of differences in the surveys' employment trends, as well as links to additional research on the topic.

rate for adult women 20 years and older, 8.2 percent in the fourth quarter, changed little during 2010. For teenagers (16 to 19 years), the jobless rate edged down 1.2 percentage points over the year, to 25.7 percent in the fourth quarter.

Unemployment rates for nearly all major race and ethnicity groups were about unchanged in 2010. The exception was the unemployment rate for Whites, which fell by 0.5 percentage point over the year, to 8.7 percent in the fourth quarter. The fourth-quarter unemployment rates for Blacks and Hispanics remained in double digits, at 15.8 percent and 12.9 percent, respec-

tively. The unemployment rate for Asians was 7.3 percent (not seasonally adjusted) at the end of the year.

Workers with less education continued to experience a substantially higher unemployment rate than did better educated members of the labor force. Among workers 25 years and older, the unemployment rate for those with less than a high school diploma was about unchanged at 15.4 percent in the fourth quarter of 2010. The unemployment rate for high school graduates with no college was 10.0 percent, down 0.7 percentage point over the year, while the rate for those with some college or an associate's degree decreased by 0.4 percentage point, to 8.4 percent. The jobless rate for college

Table 1. Employment status of the civilian noninstitutional population 16 years and older, by age and selected characteristics, seasonally adjusted quarterly averages, 2009–10

[Levels in thousands]

| Characteristic | 2009 | 2010 | | | | Change, quarter IV 2009 to quarter IV 2010 |
|-----------------------------------|------------|-----------|------------|-------------|------------|--------------------------------------------|
| | Quarter IV | Quarter I | Quarter II | Quarter III | Quarter IV | |
| Total, 16 years and older | | | | | | |
| Civilian labor force | 153,663 | 153,602 | 154,147 | 153,956 | 153,867 | 204 |
| Participation rate..... | 64.9 | 64.8 | 64.9 | 64.7 | 64.5 | -.4 |
| Employed | 138,315 | 138,721 | 139,276 | 139,212 | 139,066 | 751 |
| Employment-population ratio..... | 58.4 | 58.5 | 58.6 | 58.5 | 58.3 | -.1 |
| Unemployed | 15,349 | 14,882 | 14,871 | 14,744 | 14,801 | -548 |
| Unemployment rate..... | 10.0 | 9.7 | 9.6 | 9.6 | 9.6 | -.4 |
| Men, 20 years and older | | | | | | |
| Civilian labor force | 78,826 | 78,598 | 79,184 | 79,192 | 78,967 | 141 |
| Participation rate..... | 74.4 | 74.1 | 74.4 | 74.2 | 73.7 | -.7 |
| Employed | 70,639 | 70,736 | 71,376 | 71,468 | 71,325 | 686 |
| Employment-population ratio | 66.6 | 66.7 | 67.1 | 66.9 | 66.6 | .0 |
| Unemployed | 8,187 | 7,862 | 7,808 | 7,724 | 7,642 | -545 |
| Unemployment rate..... | 10.4 | 10.0 | 9.9 | 9.8 | 9.7 | -.7 |
| Women, 20 years and older | | | | | | |
| Civilian labor force | 68,742 | 68,987 | 69,017 | 68,921 | 69,065 | 323 |
| Participation rate..... | 60.4 | 60.6 | 60.5 | 60.2 | 60.2 | -.2 |
| Employed | 63,221 | 63,515 | 63,491 | 63,427 | 63,404 | 183 |
| Employment-population ratio..... | 55.6 | 55.8 | 55.6 | 55.4 | 55.2 | -.4 |
| Unemployed | 5,520 | 5,472 | 5,526 | 5,494 | 5,661 | 141 |
| Unemployment rate..... | 8.0 | 7.9 | 8.0 | 8.0 | 8.2 | .2 |
| Both sexes, 16 to 19 years | | | | | | |
| Civilian labor force | 6,095 | 6,017 | 5,947 | 5,843 | 5,835 | -260 |
| Participation rate..... | 35.9 | 35.4 | 35.1 | 34.7 | 34.7 | -1.2 |
| Employed | 4,454 | 4,470 | 4,409 | 4,317 | 4,337 | -117 |
| Employment-population ratio | 26.2 | 26.3 | 26.0 | 25.6 | 25.8 | -.4 |
| Unemployed | 1,641 | 1,548 | 1,537 | 1,526 | 1,498 | -143 |
| Unemployment rate..... | 26.9 | 25.7 | 25.9 | 26.1 | 25.7 | -1.2 |
| White | | | | | | |
| Civilian labor force | 125,207 | 124,932 | 125,344 | 125,261 | 124,813 | -394 |
| Participation rate..... | 65.4 | 65.2 | 65.3 | 65.2 | 64.8 | -.6 |
| Employed | 113,716 | 114,021 | 114,331 | 114,401 | 113,927 | 211 |
| Employment-population ratio | 59.4 | 59.5 | 59.6 | 59.5 | 59.1 | -.3 |
| Unemployed | 11,491 | 10,911 | 11,013 | 10,861 | 10,885 | -606 |
| Unemployment rate..... | 9.2 | 8.7 | 8.8 | 8.7 | 8.7 | -.5 |
| Black or African American | | | | | | |
| Civilian labor force | 17,596 | 17,810 | 17,891 | 17,776 | 17,974 | 378 |
| Participation rate..... | 61.9 | 62.4 | 62.4 | 61.8 | 62.3 | .4 |
| Employed | 14,797 | 14,911 | 15,064 | 14,933 | 15,129 | 332 |
| Employment-population ratio | 52.1 | 52.2 | 52.6 | 51.9 | 52.4 | .3 |
| Unemployed | 2,798 | 2,898 | 2,827 | 2,843 | 2,845 | 47 |
| Unemployment rate..... | 15.9 | 16.3 | 15.8 | 16.0 | 15.8 | -.1 |
| Asian¹ | | | | | | |
| Civilian labor force | 7,098 | 7,089 | 7,284 | 7,283 | 7,336 | 238 |
| Participation rate..... | 65.3 | 64.3 | 65.2 | 64.7 | 64.6 | -.7 |
| Employed | 6,549 | 6,515 | 6,749 | 6,753 | 6,802 | 253 |
| Employment-population ratio | 60.2 | 59.1 | 60.4 | 60.0 | 59.9 | -.3 |
| Unemployed | 549 | 574 | 535 | 530 | 534 | -15 |
| Unemployment rate..... | 7.7 | 8.1 | 7.3 | 7.3 | 7.3 | -.4 |

See notes at end of table.

Table 1. Continued—Employment status of the civilian noninstitutional population 16 years and older, by age and selected characteristics, seasonally adjusted quarterly averages, 2009–10

[Level in thousands]

| Characteristic | 2009 | 2010 | | | | Change, quarter IV 2009 to quarter IV 2010 |
|-------------------------------------|------------|-----------|------------|-------------|------------|--------------------------------------------|
| | Quarter IV | Quarter I | Quarter II | Quarter III | Quarter IV | |
| Hispanic or Latino ethnicity | | | | | | |
| Civilian labor force | 22,497 | 22,644 | 22,696 | 22,789 | 22,865 | 368 |
| Participation rate | 67.6 | 67.9 | 67.6 | 67.4 | 67.1 | –.5 |
| Employed | 19,609 | 19,822 | 19,878 | 20,004 | 19,913 | 304 |
| Employment-population ratio | 58.9 | 59.5 | 59.2 | 59.1 | 58.4 | –.5 |
| Unemployed | 2,888 | 2,822 | 2,819 | 2,785 | 2,952 | 64 |
| Unemployment rate | 12.8 | 12.5 | 12.4 | 12.2 | 12.9 | .1 |

¹ Data for Asians are not seasonally adjusted.

NOTE: Estimates for race and Hispanic ethnicity do not sum to totals because data are not presented for all races and because persons of Hispanic

ethnicity may be of any race and are also included in the race groups. Updated population controls are introduced annually with the release of January data.

graduates, 4.9 percent in the fourth quarter, was little changed over the year. (See table 2.)

The prolonged labor market downturn has piqued interest in the job market prospects of young adults 20 to 24 years. Among young adults who were not enrolled in school in the fourth quarter of 2010, unemployment rates (not seasonally adjusted) ranged from a low of 9.3 percent for individuals with a college degree to a high of 26.6 percent for those with less than a high school diploma. These rates are all substantially higher than at the onset of the most recent recession; in the fourth quarter of 2007, unemployment rates for young adults not enrolled in school ranged from a low of 4.9 percent for college graduates to a high of 14.5 percent for individuals with less than a high school diploma.

The number of persons who were unemployed because of job loss declined in 2010. After rising sharply during 2008 and 2009, the number of unemployed job losers fell to 9.2 million in the fourth quarter of 2010, down 687,000 from a year earlier. (See chart 2.) Most of the over-the-year decline in job losers occurred in the first quarter of 2010. (See table 3.)

There are two categories of job losers: those on temporary layoff (expecting recall) and those not on temporary layoff. The latter category is divided into two groups: permanent job losers and persons who completed temporary jobs. The number of permanent job losers declined over the year, dropping from 6.8 million to 6.2 million in the fourth quarter of 2010.

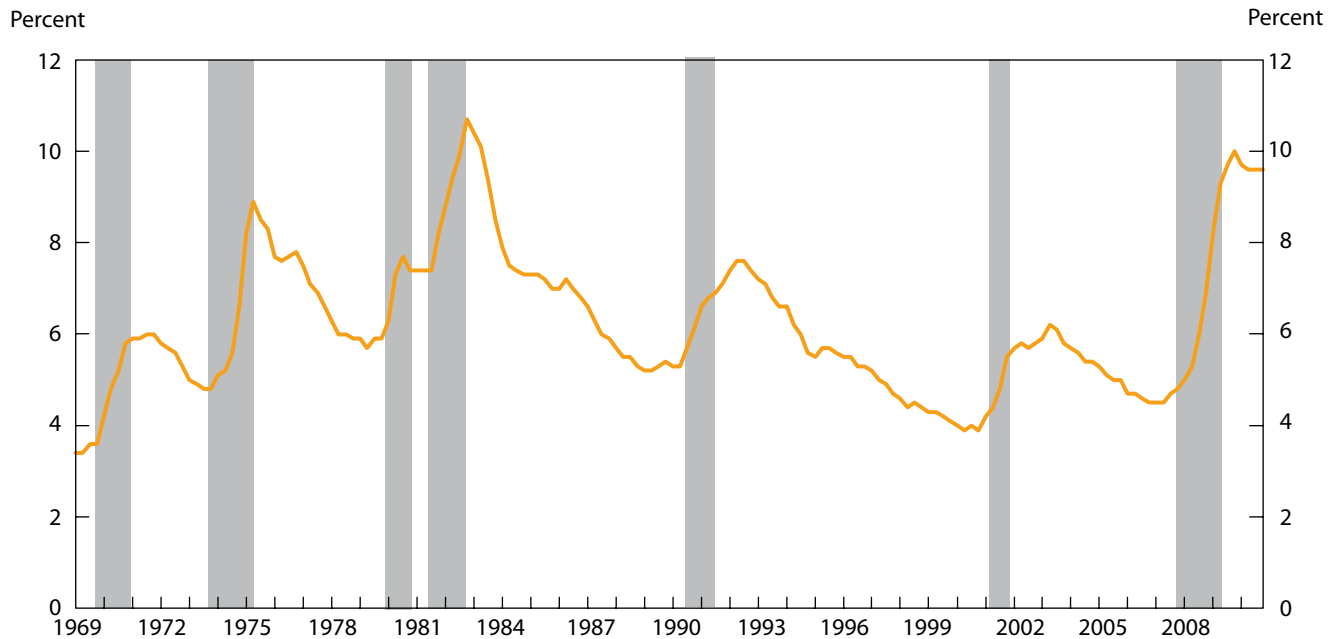
The number of reentrants to the labor force, 3.4 mil-

lion in the fourth quarter of 2010, held fairly steady during the year. (Reentrants are those who had been in the labor force previously, had spent time out of the labor force, and were actively seeking work once again.) Similarly, both the number of job leavers (unemployed persons who voluntarily left their jobs) and the number of unemployed new entrants were little changed from their year-earlier levels.

The number of long-term unemployed continued to grow, raising the average (mean) duration of joblessness by 5.5 weeks to 34 weeks in the fourth quarter of 2010. About 6.3 million individuals had been jobless for at least 27 weeks at the end of 2010, an increase of 434,000 from a year earlier.⁵ These long-term unemployed individuals made up a larger proportion of the total unemployed in 2010 than they did the previous year: 42.8 percent in the fourth quarter of 2010, up from 38.5 percent a year earlier. (See table 3.) The long-term jobless have accounted for a rising proportion of the unemployed since the start of the 2007–09 recession; their share reached 45.4 percent in the second quarter of 2010—the highest proportion since the data series began in 1948—but declined slightly in the second half of the year. (See chart 3 for trends over the past two decades.)

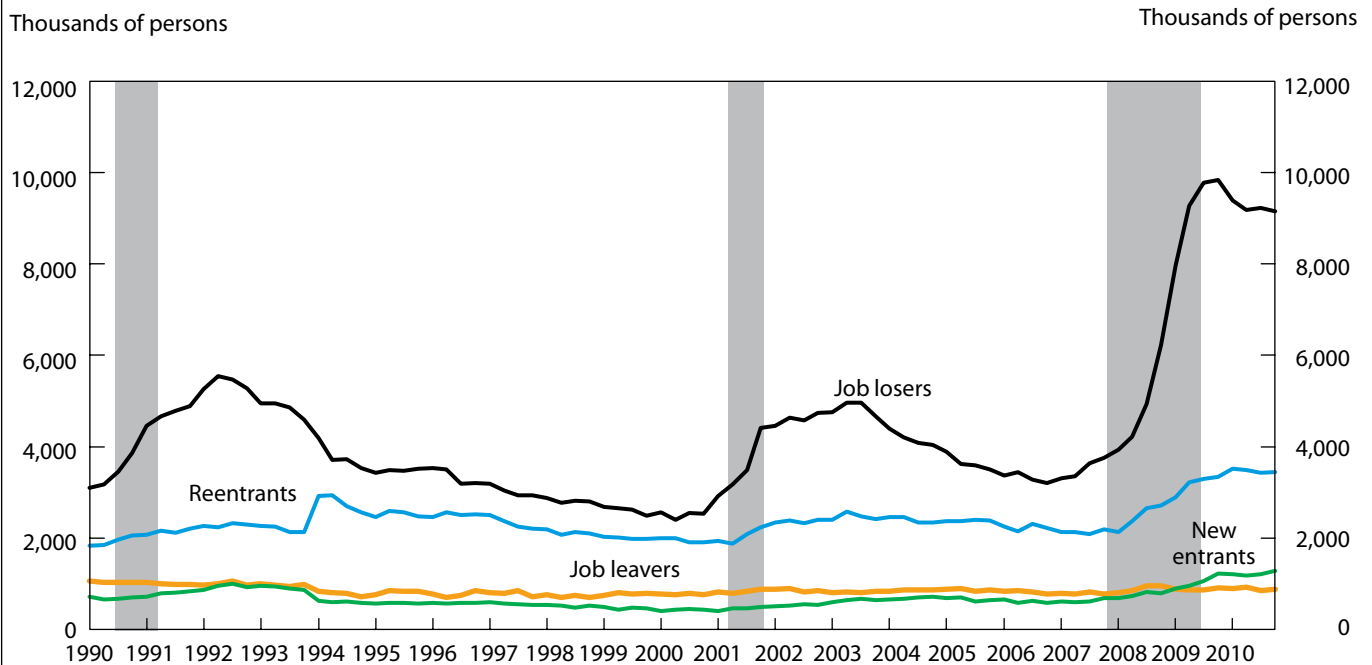
The proportion of total unemployment made up of persons unemployed for 52 weeks or longer also reached a record high by the end of 2010 (not seasonally adjusted). In the fourth quarter, 4.4 million persons had been jobless for a year or longer, accounting for about 3 in 10 unemployed persons.⁶ The median number of weeks of unemployment reached a historic high of 23.3 weeks in

Chart 1. Unemployment rate for persons 16 years and older, seasonally adjusted quarterly averages, 1969–2010



NOTE: Shaded regions represent recessions as designated by the National Bureau of Economic Research (NBER).

Chart 2. Reasons for unemployment, seasonally adjusted quarterly averages, 1990–2010



NOTE: Shaded regions represent recessions as designated by the National Bureau of Economic Research (NBER).

Table 2. Employment status of the civilian noninstitutional population 25 years and older, by educational attainment, seasonally adjusted quarterly averages, 2009–10

[Levels in thousands]

| Characteristic | 2009 | 2010 | | | | Change, quarter IV 2009 to quarter IV 2010 |
|-------------------------------------------|------------|-----------|------------|-------------|------------|--------------------------------------------|
| | Quarter IV | Quarter I | Quarter II | Quarter III | Quarter IV | |
| Less than a high school diploma | | | | | | |
| Civilian labor force | 12,043 | 11,754 | 12,076 | 11,885 | 11,787 | -256 |
| Participation rate..... | 46.4 | 46.1 | 45.7 | 46.8 | 46.5 | .1 |
| Employed | 10,219 | 9,991 | 10,319 | 10,164 | 9,971 | -248 |
| Employment-population ratio | 39.3 | 39.2 | 39.1 | 40.0 | 39.4 | .1 |
| Unemployed | 1,824 | 1,763 | 1,758 | 1,722 | 1,816 | -8 |
| Unemployment rate..... | 15.1 | 15.0 | 14.6 | 14.5 | 15.4 | .3 |
| High school diploma, no college | | | | | | |
| Civilian labor force | 37,934 | 38,376 | 38,443 | 38,132 | 38,026 | 92 |
| Participation rate..... | 61.9 | 61.5 | 62.1 | 61.8 | 61.2 | -.7 |
| Employed | 33,874 | 34,352 | 34,343 | 34,279 | 34,242 | 368 |
| Employment-population ratio | 55.3 | 55.1 | 55.5 | 55.6 | 55.1 | -.2 |
| Unemployed | 4,060 | 4,024 | 4,100 | 3,852 | 3,784 | -276 |
| Unemployment rate..... | 10.7 | 10.5 | 10.7 | 10.1 | 10.0 | -.7 |
| Some college or associate's degree | | | | | | |
| Civilian labor force | 36,857 | 36,664 | 36,724 | 36,991 | 36,989 | 132 |
| Participation rate..... | 70.5 | 70.9 | 71.0 | 70.4 | 70.0 | -.5 |
| Employed | 33,603 | 33,659 | 33,688 | 33,769 | 33,875 | 272 |
| Employment-population ratio | 64.3 | 65.1 | 65.1 | 64.3 | 64.1 | -.2 |
| Unemployed | 3,254 | 3,006 | 3,036 | 3,221 | 3,113 | -141 |
| Unemployment rate..... | 8.8 | 8.2 | 8.3 | 8.7 | 8.4 | -.4 |
| Bachelor's degree or higher | | | | | | |
| Civilian labor force | 46,038 | 45,777 | 45,922 | 46,048 | 46,255 | 217 |
| Participation rate..... | 77.3 | 77.0 | 77.2 | 76.1 | 76.5 | -.8 |
| Employed | 43,809 | 43,560 | 43,804 | 43,956 | 44,006 | 197 |
| Employment-population ratio | 73.5 | 73.3 | 73.7 | 72.7 | 72.8 | -.7 |
| Unemployed..... | 2,229 | 2,217 | 2,118 | 2,092 | 2,249 | 20 |
| Unemployment rate..... | 4.8 | 4.8 | 4.6 | 4.5 | 4.9 | .1 |

NOTE: Updated population controls are introduced annually with the release of January data.

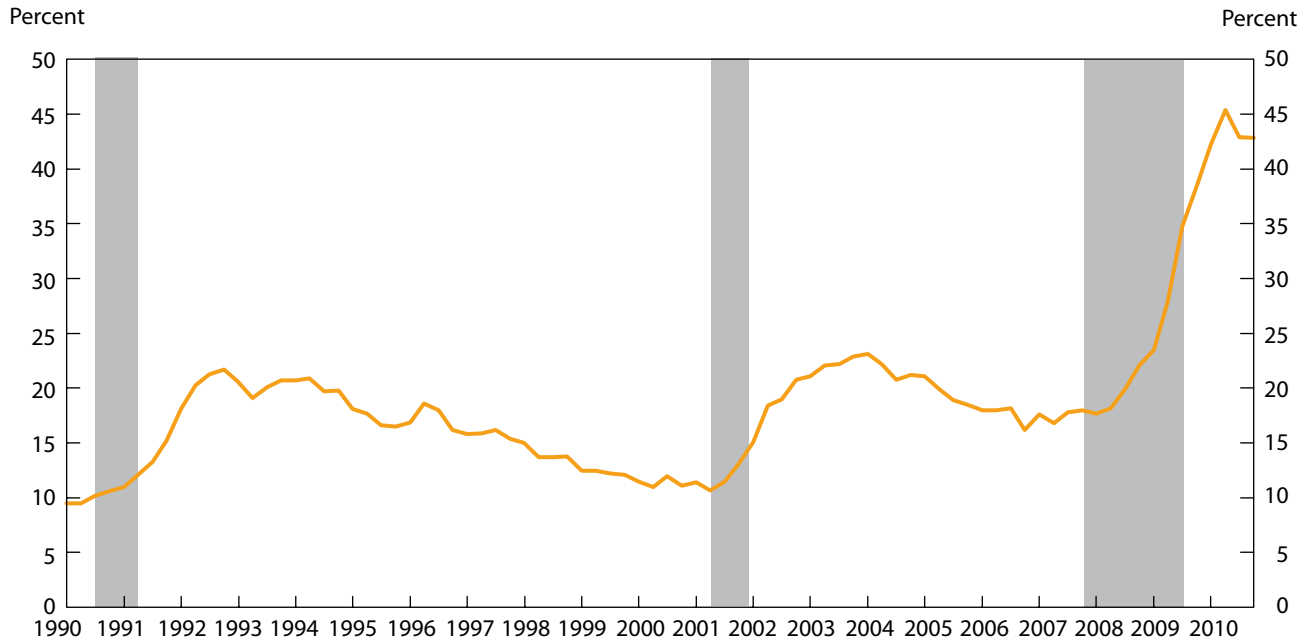
the second quarter of 2010 and then edged down to 21.8 weeks by the end of the year.

The persistently high level of unemployment in 2010 is reflected in the labor force status flow data. Each month, BLS reports on the number of persons employed, unemployed, or not in the labor force as measured by the CPS. The monthly net changes in the number of persons employed and unemployed are important gauges of the health of the U.S. labor market. A great deal of churning underlies the relatively small net changes that typically occur; these gross movements are captured by labor force flow data, which show that millions of people move between employment and

unemployment each month, and millions of others leave or enter the labor force. During 2010, nearly 18 million people, representing 7.5 percent of the population, changed their labor force status in an average month.

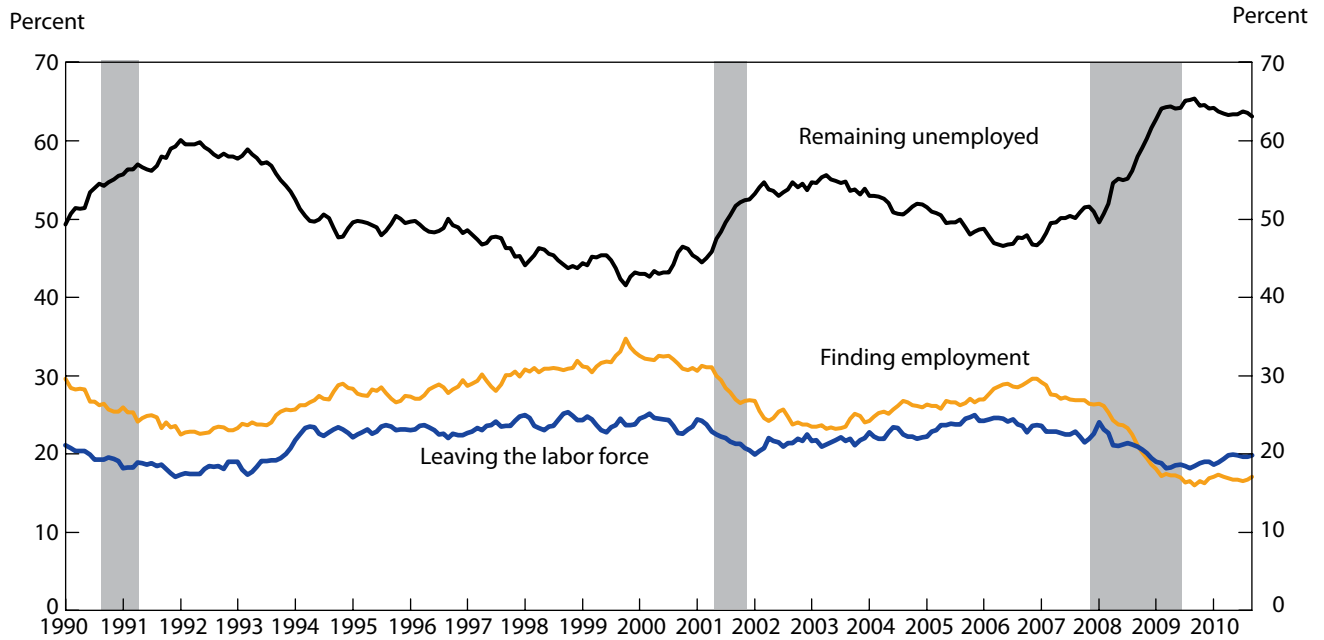
A greater understanding of the persistently high level of unemployment in 2010 can be obtained by examining the updated status (employed, unemployed, or not in the labor force) of persons who were unemployed. The share of the unemployed who remained unemployed from one month to the next rose sharply during each of the past three recessions and remained high for many months during the economic recoveries that followed.⁷ Chart 4 shows the proportions of unemployed persons who found employ-

Chart 3. Long-term unemployed as a percent of total unemployed, seasonally adjusted quarterly averages, 1990–2010



NOTE: Shaded regions represent recessions as designated by the National Bureau of Economic Research (NBER).

Chart 4. Percent of the unemployed finding employment, remaining unemployed, or leaving the labor force, seasonally adjusted 3-month moving average, April 1990–December 2010



NOTE: Shaded regions represent recessions as designated by the National Bureau of Economic Research (NBER).

Table 3. Unemployed persons by reason and duration of unemployment, seasonally adjusted quarterly averages, 2009–10

[Levels in thousands]

| Reason and duration | 2009 | 2010 | | | | Change, quarter IV 2009 to quarter IV 2010 |
|----------------------------------------------------------|------------|-----------|------------|-------------|------------|--------------------------------------------|
| | Quarter IV | Quarter I | Quarter II | Quarter III | Quarter IV | |
| Reason for unemployment | | | | | | |
| Job losers and persons who completed temporary jobs..... | 9,842 | 9,383 | 9,176 | 9,220 | 9,155 | -687 |
| On temporary layoff..... | 1,583 | 1,521 | 1,402 | 1,371 | 1,375 | -208 |
| Not on temporary layoff..... | 8,259 | 7,862 | 7,774 | 7,849 | 7,780 | -479 |
| Permanent job losers..... | 6,802 | 6,499 | 6,431 | 6,447 | 6,225 | -577 |
| Persons who completed temporary jobs..... | 1,457 | 1,363 | 1,343 | 1,403 | 1,555 | 98 |
| Job leavers..... | 921 | 893 | 932 | 858 | 877 | -44 |
| Reentrants..... | 3,341 | 3,523 | 3,484 | 3,425 | 3,445 | 104 |
| New entrants..... | 1,221 | 1,205 | 1,185 | 1,217 | 1,286 | 65 |
| Percent distribution: | | | | | | |
| Job losers and persons who completed temporary jobs..... | 64.2 | 62.5 | 62.1 | 62.6 | 62.0 | -2.2 |
| On temporary layoff..... | 10.3 | 10.1 | 9.5 | 9.3 | 9.3 | -1.0 |
| Not on temporary layoff..... | 53.9 | 52.4 | 52.6 | 53.3 | 52.7 | -1.2 |
| Job leavers..... | 6.0 | 6.0 | 6.3 | 5.8 | 5.9 | -1 |
| Reentrants..... | 21.8 | 23.5 | 23.6 | 23.3 | 23.3 | 1.5 |
| New entrants..... | 8.0 | 8.0 | 8.0 | 8.3 | 8.7 | .7 |
| Duration of unemployment | | | | | | |
| Less than 5 weeks..... | 2,967 | 2,766 | 2,745 | 2,821 | 2,736 | -231 |
| 5 to 14 weeks..... | 3,522 | 3,312 | 3,066 | 3,344 | 3,316 | -206 |
| 15 weeks or longer..... | 8,845 | 8,905 | 8,906 | 8,566 | 8,741 | -104 |
| 15 to 26 weeks..... | 2,945 | 2,589 | 2,219 | 2,248 | 2,407 | -538 |
| 27 weeks or longer..... | 5,900 | 6,317 | 6,687 | 6,317 | 6,334 | 434 |
| Mean duration, in weeks..... | 28.5 | 30.7 | 34.1 | 33.6 | 34.0 | 5.5 |
| Median duration, in weeks..... | 19.8 | 20.0 | 23.3 | 20.9 | 21.8 | 2.0 |
| Percent distribution: | | | | | | |
| Less than 5 weeks..... | 19.3 | 18.5 | 18.7 | 19.1 | 18.5 | -8 |
| 5 to 14 weeks..... | 23.0 | 22.1 | 20.8 | 22.7 | 22.4 | -6 |
| 15 weeks or longer..... | 57.7 | 59.4 | 60.5 | 58.2 | 59.1 | 1.4 |
| 15 to 26 weeks..... | 19.2 | 17.3 | 15.1 | 15.3 | 16.3 | -2.9 |
| 27 weeks or longer..... | 38.5 | 42.2 | 45.4 | 42.9 | 42.8 | 4.3 |

NOTE: Updated population controls are introduced annually with the release of January data.

ment, remained unemployed, and left the labor force. The data indicate that, from the fourth quarter of 2009 to the fourth quarter of 2010, unemployed persons continued to be much more likely from one month to the next to remain unemployed than to find employment. Although the data show that the likelihood of remaining unemployed was greater than the combined likelihood of finding employment and leaving the labor force, the share of unemployed

persons who remained unemployed from one month to the next, 63.1 percent (calculated as a 3-month moving average) in December 2010, trended down over the year after having reached a high of about 65 percent in late 2009. During 2010, the likelihood of unemployed persons finding employment or exiting the labor force changed little; in December, the proportions were 17.1 percent and 19.8 percent, respectively.

The number of persons employed part time for economic reasons was essentially unchanged over the year. Involuntary part-time employment—the measure of persons who would prefer to work full time but worked part time for economic reasons—fell in the first quarter of 2010, but then edged up over the remaining quarters of the year, reaching 9.0 million in the fourth quarter, about the same level as a year earlier. Since 1994, slack work or unfavorable business conditions, rather than an inability to find full-time work, has been the primary reason for working part time involuntarily. Since reaching its most recent low in early 2006, involuntary part-time employment has more than doubled.⁸ (See chart 5.)

In 2010, the number of persons who were not in the labor force but wanted a job increased for the third consecutive year, as did the number of discouraged workers. The category "not in the labor force" consists of persons who are neither employed nor unemployed. In the fourth quarter of 2010, there were 85.2 million persons who were not in the labor force (not seasonally adjusted). (See table 4.) Of those who were not in the labor force, nearly 2 in 5 were 65 years and older.

The number of persons not in the labor force who wanted a job but who were not currently looking for one was 6.0 million in the fourth quarter of 2010, 245,000 higher than a year earlier.⁹ Among this group of persons who wanted, but were not currently seeking, a job were 2.6 million "persons marginally attached to the labor force" in the fourth quarter of 2010, representing an over-the-year increase of 187,000.¹⁰ These marginally attached

individuals were not in the labor force, but wanted and were available for work and had looked for a job sometime during the previous 12 months. They were not counted as unemployed because they had not actively searched for work in the 4 weeks preceding the survey.

Some marginally attached workers were not currently looking for a job specifically because they felt that no jobs were available for them. These "discouraged workers" numbered 1.3 million in the fourth quarter of 2010, up 407,000 over the year. From the fourth quarter of 2007 to the fourth quarter of 2010, there has been a nearly fourfold increase in the number of discouraged workers. The remaining 1.3 million persons marginally attached to the labor force had not searched for work in the 4 weeks preceding the survey for reasons such as school attendance or family responsibilities.

Mirroring the unemployment rate, the alternative measures of labor underutilization declined in early 2010 before mainly holding steady. A number of alternative labor underutilization indicators are constructed from CPS data.¹¹ Known as U-1 through U-6, the various alternative measures provide different perspectives on the degree to which labor resources are underutilized. Each of these measures tends to have a similar cyclical pattern. U-1 shows the number of individuals unemployed 15 weeks or longer as a percent of the labor force, while U-2 presents job losers and persons who completed temporary jobs as a percent of the labor force. U-3 is the official unemployment rate. Alternative measures U-4 through U-6 have increasingly broader

Table 4. Persons not in the labor force, not seasonally adjusted quarterly averages, 2006–10

[In thousands]

| Category | 2006 | 2007 | 2008 | 2009 | 2010 | Change, quarter IV 2009 to quarter IV 2010 |
|-------------------------------------------------------------------------|------------|------------|------------|------------|------------|--------------------------------------------|
| | Quarter IV | Quarter IV | Quarter IV | Quarter IV | Quarter IV | |
| Total not in the labor force..... | 77,377 | 79,185 | 80,164 | 83,450 | 85,210 | 1,760 |
| Persons who currently want a job..... | 4,419 | 4,289 | 5,019 | 5,726 | 5,971 | 245 |
| Marginally attached to the labor force ¹ | 1,365 | 1,357 | 1,831 | 2,394 | 2,581 | 187 |
| Discouraged workers ² | 318 | 344 | 578 | 866 | 1,273 | 407 |
| Other persons marginally attached to the labor force ³ | 1,047 | 1,013 | 1,253 | 1,528 | 1,308 | -220 |

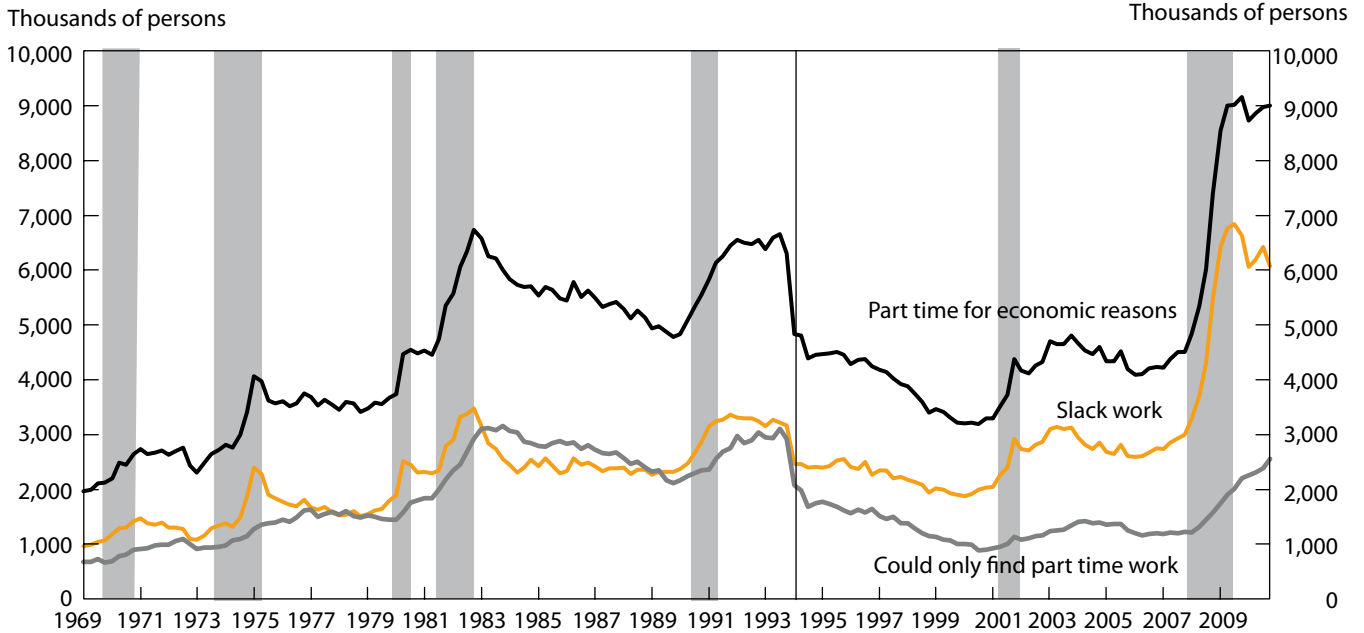
¹ Data refer to persons who want a job, have searched for work during the previous 12 months, and were available to take a job during the reference week, but had not looked for work in the past 4 weeks.

² Includes those who did not actively look for work in the previous 4 weeks for reasons such as "thinks no work available," "could not find work," "lacks schooling or training," "employer thinks too young or old," and other types of discrimination.

³ Includes those who did not actively look for work in the previous 4 weeks for such reasons as school or family responsibilities, ill health, and transportation problems, as well as a number for whom the reason for nonparticipation was not determined.

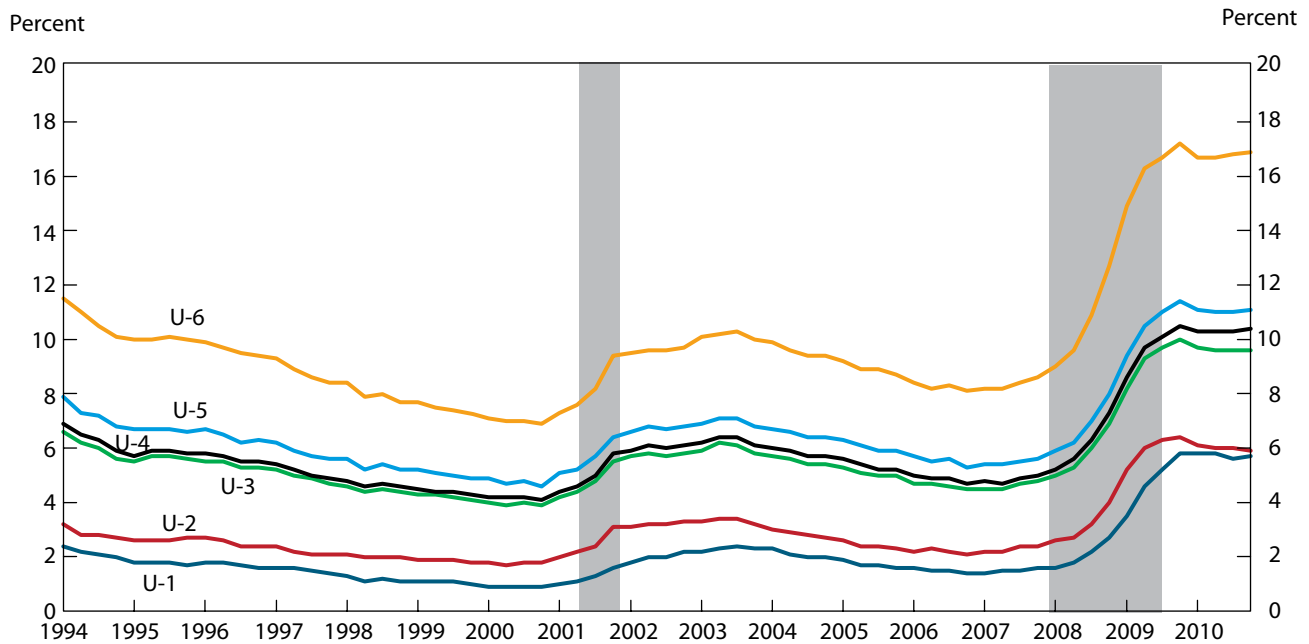
NOTE: Updated population controls are introduced annually with the release of January data.

Chart 5. Persons employed part time for economic reasons, seasonally adjusted quarterly averages, 1969–2010



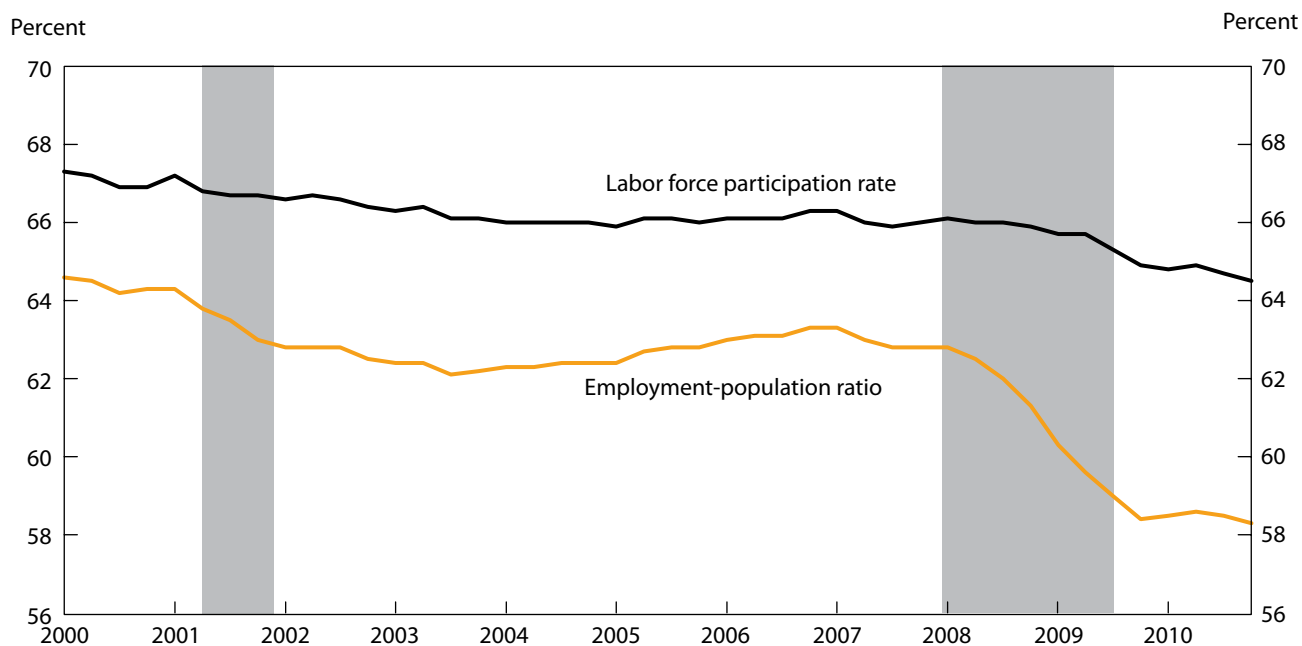
NOTE: Shaded regions represent recessions as designated by the National Bureau of Economic Research (NBER). Beginning in 1994, data are affected by the redesign of the Current Population Survey (denoted by black line) and therefore are not strictly comparable with data from previous years.

Chart 6. Measures of labor underutilization, U-1 to U-6, seasonally adjusted quarterly averages, 1994–2010



NOTE: Shaded regions represent recessions as designated by the National Bureau of Economic Research (NBER). U-3 is the official unemployment rate.

Chart 7. Labor force participation rate and employment-population ratio, seasonally adjusted quarterly averages, 2000–10



NOTE: Shaded regions represent recessions as designated by the National Bureau of Economic Research (NBER).

definitions of labor underutilization: U-4 adds discouraged workers to U-3, U-5 adds all other persons marginally attached to the labor force to U-4, and U-6 adds involuntary part-time workers to U-5. In 2010, both U-5 and U-6 declined by 0.3 percentage point over the year, after reaching their highest points in the history of each series in the fourth quarter of 2009. (These series began in 1994.) (See chart 6.)

Labor force participation

The size of the civilian labor force was about unchanged in 2010, and the labor force participation rate continued to decline. After peaking in early 2000, the labor force participation rate—the proportion of the civilian non-institutional population 16 years and older that is in the labor force—inched steadily downward during the 2000s. Factors contributing to the decade-long trend include the abatement of growth in the labor force participation of adult women, the aging of the baby boomers, and the ongoing decline in labor force participation among teens.

The dropoff in the participation rate was particularly steep in 2009, whereas the pace of the decline slowed in 2010. After falling a full percentage point in 2009, the labor force participation rate was 64.5 percent in the fourth

quarter of 2010, down 0.4 percentage point from its level a year earlier. (See chart 7.)

The labor force participation rates for most of the major race and ethnicity groups showed little change in 2010. The sole exception was the rate for Whites, which fell by 0.6 percentage point, to 64.8 percent, in the fourth quarter. The rates for Blacks and Hispanics, 62.3 percent and 67.1 percent, respectively, changed little in 2010. The labor force participation rate for Asians (64.6 percent, not seasonally adjusted) also showed no statistically significant change over the year. (See table 1.)

As the following tabulation of seasonally adjusted data shows, labor force participation rates and trends varied by age:

| Age | Labor force participation rates (in percent) | | |
|------------------------------|----------------------------------------------|------------------|--------|
| | Quarter IV, 2009 | Quarter IV, 2010 | Change |
| Total, 16 years and older .. | 64.9 | 64.5 | -0.4 |
| 16 to 19 years..... | 35.9 | 34.7 | -1.2 |
| 20 to 24 years..... | 71.6 | 71.4 | -0.2 |
| 25 to 34 years..... | 82.3 | 81.9 | -0.4 |
| 35 to 44 years..... | 83.2 | 80.9 | -2.3 |
| 45 to 54 years..... | 81.5 | 80.9 | -0.6 |
| 55 years and older..... | 39.9 | 40.1 | .2 |

Table 5. Employment by occupational group and sex, not seasonally adjusted quarterly averages, 2009–10

[In thousands]

| Occupation | Total | | | Men | | | Women | | |
|-------------------------------------------------------------------|-----------------|-----------------|--------------------------------------------|-----------------|-----------------|--------------------------------------------|-----------------|-----------------|--------------------------------------------|
| | Quarter IV 2009 | Quarter IV 2010 | Change, quarter IV 2009 to quarter IV 2010 | Quarter IV 2009 | Quarter IV 2010 | Change, quarter IV 2009 to quarter IV 2010 | Quarter IV 2009 | Quarter IV 2010 | Change, quarter IV 2009 to quarter IV 2010 |
| Total, 16 years and older . | 138,724 | 139,441 | 717 | 72,909 | 73,579 | 670 | 65,815 | 65,862 | 47 |
| Management, professional, and related occupations. | 52,458 | 51,684 | -774 | 25,336 | 24,908 | -428 | 27,123 | 26,776 | -347 |
| Management, business, and financial operations occupations | 21,021 | 20,504 | -517 | 12,000 | 11,574 | -426 | 9,020 | 8,930 | -90 |
| Professional and related occupations | 31,438 | 31,180 | -258 | 13,335 | 13,334 | -1 | 18,102 | 17,846 | -256 |
| Service occupations..... | 24,301 | 24,633 | 332 | 10,261 | 10,559 | 298 | 14,039 | 14,074 | 35 |
| Health care support occupations | 3,363 | 3,325 | -38 | 391 | 398 | 7 | 2,972 | 2,927 | -45 |
| Protective service occupations | 3,096 | 3,163 | 67 | 2,439 | 2,517 | 78 | 658 | 646 | -12 |
| Food preparation and serving related occupations..... | 7,604 | 7,823 | 219 | 3,264 | 3,482 | 218 | 4,340 | 4,341 | 1 |
| Building and grounds cleaning and maintenance occupations..... | 5,335 | 5,294 | -41 | 3,140 | 3,087 | -53 | 2,194 | 2,207 | 13 |
| Personal care and service occupations..... | 4,903 | 5,028 | 125 | 1,028 | 1,076 | 48 | 3,875 | 3,952 | 77 |
| Sales and office occupations | 33,207 | 33,442 | 235 | 12,459 | 12,543 | 84 | 20,748 | 20,899 | 151 |
| Sales and related occupations | 15,400 | 15,564 | 164 | 7,851 | 7,879 | 28 | 7,549 | 7,685 | 136 |
| Office and administrative support occupations..... | 17,807 | 17,878 | 71 | 4,608 | 4,663 | 55 | 13,199 | 13,215 | 16 |
| Natural resources, construction, and maintenance occupations. | 12,981 | 12,842 | -139 | 12,410 | 12,254 | -156 | 572 | 588 | 16 |
| Farming, fishing, and forestry occupations..... | 913 | 989 | 76 | 731 | 769 | 38 | 182 | 220 | 38 |
| Construction and extraction occupations... | 7,407 | 6,924 | -483 | 7,223 | 6,749 | -474 | 183 | 175 | -8 |
| Installation, maintenance, and repair occupations... | 4,662 | 4,929 | 267 | 4,456 | 4,736 | 280 | 206 | 193 | -13 |
| Production, transportation, and material moving occupations | 15,777 | 16,841 | 1,064 | 12,444 | 13,315 | 871 | 3,333 | 3,526 | 193 |
| Production occupations .. | 7,516 | 8,328 | 812 | 5,425 | 6,022 | 597 | 2,091 | 2,306 | 215 |
| Transportation and material moving occupations | 8,261 | 8,513 | 252 | 7,019 | 7,293 | 274 | 1,242 | 1,219 | -23 |

NOTE: Data may not sum to totals because of rounding. Updated population controls are introduced annually with the release of January data.

Table 6. Median usual weekly earnings of full-time wage and salary workers by selected characteristics, annual averages, 2009–10

| Characteristic | 2009 | 2010 | Percent change, 2009–2010 |
|------------------------------------------|-------|-------|---------------------------|
| Total, 16 years and older | \$739 | \$747 | 1.1 |
| Men | \$819 | \$824 | .6 |
| Women | 657 | 669 | 1.8 |
| White | 757 | 765 | 1.1 |
| Men | 845 | 850 | .6 |
| Women | 669 | 684 | 2.2 |
| Black or African American | 601 | 611 | 1.7 |
| Men | 621 | 633 | 1.9 |
| Women | 582 | 592 | 1.7 |
| Asian | 880 | 855 | -2.8 |
| Men | 952 | 936 | -1.7 |
| Women | 779 | 773 | -.8 |
| Hispanic or Latino ethnicity | 541 | 535 | -1.1 |
| Men | 569 | 560 | -1.6 |
| Women | 509 | 508 | -.2 |
| Total, 25 years and older | 774 | 782 | 1.0 |
| Less than a high school diploma | 454 | 444 | -2.2 |
| High school diploma, no college | 626 | 626 | .0 |
| Some college or associate's degree | 726 | 734 | 1.1 |
| Bachelor's degree or higher | 1,137 | 1,144 | .6 |

The teen (16 to 19 years) participation rate, at 34.7 percent in the fourth quarter of 2010, has trended down since the late 1980s, and in recent years the decline has been precipitous: from the fourth quarter of 2007 to the fourth quarter of 2010, the teen participation rate fell by 6.6 percentage points. Increased school enrollment, poor labor market conditions, and increased job competition from both older workers and recent immigrants are considered major factors contributing to the decline in teen participation.¹² The labor force participation rate of young adults (those 20 to 24 years) held steady over the year.¹³ Since the fourth quarter of 2007, the labor force participation rate among young adults has fallen about 3 percentage points but the decline has not been as steep as that for teenagers.

The labor force participation rate for persons 35 to 44 years dropped by more than 2 percentage points from the fourth quarter of 2009 to the fourth quarter of 2010; by contrast, the participation rate for adults 55 years and older, which has risen about 10 percentage points since the

mid-1990s, continued to trend upward in 2010, reaching 40.1 percent in the fourth quarter.¹⁴

Employment and earnings

Employment rose in 2010, but the employment–population ratio was little changed. Following a sharp employment decline of 8.0 million over the previous 2 years, the number of employed persons increased by 751,000 over the year, to 139.1 million in the fourth quarter of 2010. The employment gain for adult men was 686,000, while employment among adult women and teens was little changed. (See table 1.)

Employment growth in 2010 was concentrated among Blacks and Hispanics. The number of employed Blacks increased 332,000, to 15.1 million in the fourth quarter. This over-the-year rise in employment among Blacks made up 44 percent of the overall increase, much larger than their share of total employment (11 percent). The number of employed Hispanics rose 304,000 over the year, to 19.9 million, and accounted for 40 percent of the overall increase in employment. By comparison, Hispanics constituted a 14-percent share of total employment in 2010. The number of employed Asians increased by 253,000 during 2010 to 6.8 million in the fourth quarter (not seasonally adjusted). Employment of Whites in the fourth quarter, 113.9 million, was little changed over the year.

After falling by 4.9 percentage points over the previous 3 years, the overall employment–population ratio, 58.3 percent in the fourth quarter of 2010, was little changed over the year. (See chart 7.) The employment–population ratios for adult men and adult women each exhibited little or no change over the year. Although the gap between the ratios for men and women has narrowed significantly over time, the employment–population ratio for adult men remains higher than that of adult women. In the fourth quarter of 2010, the ratios were 66.6 percent and 55.2 percent, respectively. In 2010, the employment–population ratio for teenagers, 25.8 percent, was little changed from the previous year's figure. However, since the end of 2006, the employment–population ratio for teenagers has fallen by 11.2 percentage points.

After declining sharply over the previous 2 years, employment–population ratios for the major race and ethnicity groups were little changed in 2010. In the fourth quarter, the employment–population ratio was 59.1 percent for Whites, 52.4 percent for Blacks, and 58.4 percent for Hispanics. The ratio for Asians was 59.9 percent (not seasonally adjusted). (See table 1.)

Table 7. Employment status of persons 18 years and over by veteran status, period of service, and sex, not seasonally adjusted quarterly averages, 2009–10

[Levels in thousands]

| Employment status, veteran status, and period of service | Both sexes | | | Men | | | Women | | |
|-----------------------------------------------------------|-----------------|-----------------|--------------------------------------------|-----------------|-----------------|--------------------------------------------|-----------------|-----------------|--------------------------------------------|
| | Quarter IV 2009 | Quarter IV 2010 | Change, quarter IV 2009 to quarter IV 2010 | Quarter IV 2009 | Quarter IV 2010 | Change, quarter IV 2009 to quarter IV 2010 | Quarter IV 2009 | Quarter IV 2010 | Change, quarter IV 2009 to quarter IV 2010 |
| Veterans, 18 years and older | | | | | | | | | |
| Civilian labor force | 11,856 | 11,571 | -285 | 10,741 | 10,458 | -283 | 1,114 | 1,113 | -1 |
| Participation rate | 53.8 | 52.9 | -9 | 53.0 | 52.1 | -1.4 | 63.1 | 62.1 | -1.0 |
| Employed | 10,878 | 10,599 | -279 | 9,850 | 9,564 | -286 | 1,028 | 1,035 | 7 |
| Employment-population ratio.. | 49.4 | 48.5 | -9 | 48.6 | 47.6 | -2.8 | 58.3 | 57.7 | -6 |
| Unemployed | 978 | 973 | -5 | 892 | 894 | 2 | 86 | 79 | -7 |
| Unemployment rate | 8.2 | 8.4 | .2 | 8.3 | 8.5 | .2 | 7.7 | 7.1 | -6 |
| Gulf War-era II veterans | | | | | | | | | |
| Civilian labor force | 1,709 | 1,862 | 153 | 1,453 | 1,606 | 153 | 257 | 257 | 0 |
| Participation rate | 83.1 | 81.8 | -1.3 | 84.9 | 84.3 | -6 | 74.1 | 69.0 | -5.1 |
| Employed | 1,544 | 1,662 | 118 | 1,311 | 1,432 | 121 | 233 | 231 | -2 |
| Employment-population ratio.. | 75.1 | 73.0 | -2.1 | 76.6 | 75.2 | -1.4 | 67.3 | 62.0 | -5.3 |
| Unemployed | 165 | 200 | 35 | 142 | 174 | 32 | 23 | 26 | 3 |
| Unemployment rate | 9.7 | 10.7 | 1.0 | 9.7 | 10.8 | 1.1 | 9.1 | 10.1 | 1.0 |
| Gulf War-era I veterans | | | | | | | | | |
| Civilian labor force | 2,530 | 2,489 | -41 | 2,162 | 2,149 | -13 | 368 | 340 | -28 |
| Participation rate | 87.1 | 87.0 | -.8 | 88.7 | 88.4 | -.3 | 78.7 | 78.8 | .1 |
| Employed | 2,367 | 2,321 | -46 | 2,026 | 2,005 | -21 | 342 | 317 | -25 |
| Employment-population ratio.. | 81.5 | 81.1 | -.4 | 83.1 | 82.5 | -.6 | 73.0 | 73.3 | .3 |
| Unemployed | 163 | 167 | 4 | 136 | 144 | 9 | 27 | 24 | -3 |
| Unemployment rate | 6.4 | 6.7 | .3 | 6.3 | 6.7 | .4 | 7.2 | 6.9 | -.3 |
| World War II, Korean War, and Vietnam-era veterans | | | | | | | | | |
| Civilian labor force | 4,144 | 3,886 | -258 | 4,010 | 3,767 | -243 | 133 | 120 | -13 |
| Participation rate | 37.0 | 35.8 | -1.2 | 37.0 | 35.9 | -1.1 | 35.8 | 33.8 | -2.0 |
| Employed | 3,798 | 3,542 | -256 | 3,676 | 3,430 | -246 | 123 | 112 | -11 |
| Employment-population ratio.. | 33.9 | 32.6 | -1.3 | 33.9 | 32.7 | -1.2 | 32.9 | 31.7 | -1.2 |
| Unemployed | 345 | 345 | 0 | 335 | 337 | 2 | 11 | 8 | -3 |
| Unemployment rate | 8.3 | 8.9 | .6 | 8.3 | 8.9 | .6 | 8.0 | 6.4 | -1.6 |
| Veterans of other service periods | | | | | | | | | |
| Civilian labor force | 3,473 | 3,334 | -139 | 3,117 | 2,937 | -180 | 356 | 397 | 41 |
| Participation rate | 59.1 | 56.8 | -2.3 | 58.8 | 56.1 | -2.7 | 61.7 | 62.5 | .8 |
| Employed | 3,168 | 3,073 | -95 | 2,838 | 2,698 | -140 | 331 | 375 | 44 |
| Employment-population ratio.. | 53.9 | 52.3 | -1.6 | 53.6 | 51.5 | -3.1 | 57.3 | 59.1 | 1.8 |
| Unemployed | 305 | 261 | -44 | 279 | 239 | -40 | 26 | 22 | -4 |
| Unemployment rate | 8.8 | 7.8 | -1.0 | 9.0 | 8.1 | -.9 | 7.2 | 5.5 | -1.7 |

See notes at end of table.

Table 7. Continued—Employment status of persons 18 years and over by veteran status, period of service, and sex, not seasonally adjusted quarterly averages, 2009–10

[Levels in thousands]

| Employment status, veteran status, and period of service | Both sexes | | | Men | | | Women | | |
|----------------------------------------------------------|-----------------|-----------------|--------------------------------------------|-----------------|-----------------|--------------------------------------------|-----------------|-----------------|--------------------------------------------|
| | Quarter IV 2009 | Quarter IV 2010 | Change, quarter IV 2009 to quarter IV 2010 | Quarter IV 2009 | Quarter IV 2010 | Change, quarter IV 2009 to quarter IV 2010 | Quarter IV 2009 | Quarter IV 2010 | Change, quarter IV 2009 to quarter IV 2010 |
| Nonveterans, 18 years and older | | | | | | | | | |
| Civilian labor force | 139,509 | 140,048 | 539 | 69,886 | 70,248 | 362 | 69,623 | 69,799 | 176 |
| Participation rate..... | 67.8 | 67.4 | -.4 | 77.8 | 77.2 | -.6 | 60.1 | 59.8 | -.3 |
| Employed..... | 126,470 | 127,462 | 992 | 62,423 | 63,387 | 964 | 64,046 | 64,076 | 30 |
| Employment-population ratio... | 61.5 | 61.4 | -.1 | 69.5 | 69.7 | .2 | 55.2 | 54.9 | -.3 |
| Unemployed..... | 13,039 | 12,585 | -454 | 7,463 | 6,862 | -601 | 5,577 | 5,724 | 147 |
| Unemployment rate..... | 9.3 | 9.0 | -.3 | 10.7 | 9.8 | -.9 | 8.0 | 8.2 | .2 |

NOTE: Veterans served on active duty in the U.S. Armed Forces and were not on active duty at the time of the survey. Nonveterans never served on active duty in the U.S. Armed Forces. Veterans could have served anywhere in the world during these periods of service: Gulf War era II (September 2001–present), Gulf War era I (August 1990–August 2001), Vietnam era (August 1964–April 1975), Korean War (July 1950–January

1955), World War II (December 1941–December 1946), and other service periods (all other time periods). Veterans who served in more than one wartime period are classified only in the most recent one. Veterans who served during one of the selected wartime periods and another period are classified only in the wartime period. Updated population controls are introduced annually with the release of January data.

In contrast to 2009, when nearly all major occupational groups recorded substantial employment declines, employment in 2010 grew in production occupations and in installation, maintenance, and repair occupations. In 2010, the number of persons employed in production occupations grew by 812,000, following a decline of 1.1 million in the previous year. Employment in installation, maintenance, and repair occupations rose by 267,000.

However, other occupation groups fared less well in 2010. Employment in management, business, and financial operations occupations declined by 517,000 over the year, while employment in professional and related occupations was little changed. The number of persons employed in construction and extraction occupations fell for the fourth consecutive year, declining by 483,000 in 2010. (See table 5.) Since its recent peak in the fourth quarter of 2006, employment in this occupational category has declined 2.8 million.

Although men made up 53 percent of total employment, they accounted for more than 90 percent of the 717,000 increase in employment in 2010. (The data in this section are not seasonally adjusted.) The employment losses that had taken place in 2009 were larger among men than women because men were more likely to be in occupations that are sensitive to the effects of the busi-

ness cycle. In 2010, employment of men in production occupations rose by 597,000, accounting for 74 percent of the overall increase in employment in this occupation group. The number of men holding food preparation and serving-related occupations edged up 218,000 in 2010. Employment of men in management, business, and financial operations occupations fell 426,000, which was 82 percent of the overall decline in employment in this occupation group. In professional and related occupations, a group in which women make up the majority of workers, women's employment edged down 256,000. In construction and extraction occupations, where men make up the vast majority of workers, men's employment continued to decline, falling by 474,000; this decline represents virtually all of the losses in this occupation group.

Median weekly earnings of full-time wage and salary workers increased in 2010 at a slightly slower rate than inflation as measured by the Consumer Price Index for All Urban Consumers (CPI-U). Median usual weekly earnings rose to \$747 in 2010, an increase of 1.1 percent from 2009. (The data in this section are annual averages.) During the same period, the CPI-U increased by 1.6 percent. The over-the-year increase in median weekly earnings was the smallest since the series began in 1979. (See table 6.)

While median weekly earnings for women grew by 1.8 percent in 2010, men's earnings were little changed. The ratio of women's to men's earnings edged up to 81.2 percent. Over time, the earnings gap between the sexes has narrowed considerably: in 1979, women's earnings were 62.3 percent of men's earnings. (See chart 8.)

In 2010, median weekly earnings for Whites were \$765, up 1.1 percent over the year. Weekly earnings in 2010 for Blacks (\$611), Asians (\$855), and Hispanics (\$535) showed no statistically significant change from 2009. (Readers should note that the comparisons of earnings do not control for many factors that can be important in explaining earnings differences between men and women or among race and ethnicity groups.) (See table 6.)

Educational attainment is a major determinant of earnings. Among workers 25 years and older, those with at least a bachelor's degree continued to have the highest median weekly earnings, \$1,144 in 2010. Workers with some college or an associate's degree earned \$734, and high school graduates with no college earned \$626. Earnings of workers with less than a high school diploma, \$444, remained the lowest among the major education groups. For each educational attainment group, median

weekly earnings changed little over the year. (See table 6.)

Veterans, persons with disabilities, and foreign-born workers

In 2010, unemployment rates for veterans and nonveterans were little changed. In the CPS, veterans are defined as men and women who have previously served on active duty in the U.S. Armed Forces and who were civilians at the time of the survey.¹⁵ In the fourth quarter of 2010, 21.9 million men and women in the civilian noninstitutional population age 18 years and older were veterans. Veterans were more likely than nonveterans to be men and older. In part, this fact reflects the characteristics of veterans who served during World War II, the Korean War, and the Vietnam era. Veterans who served during these wars compose about one-half of the veteran population. About 2.9 million veterans served during Gulf War era I (August 1990 to August 2001) and another 2.3 million veterans served during Gulf War era II (September 2001 to present). An additional 5.9 million served outside the designated wartime periods.

Overall, 52.1 percent of male veterans 18 years and

Chart 8. Women's median usual weekly earnings as a percent of men's, full-time wage and salary workers, annual averages, 1979–2010

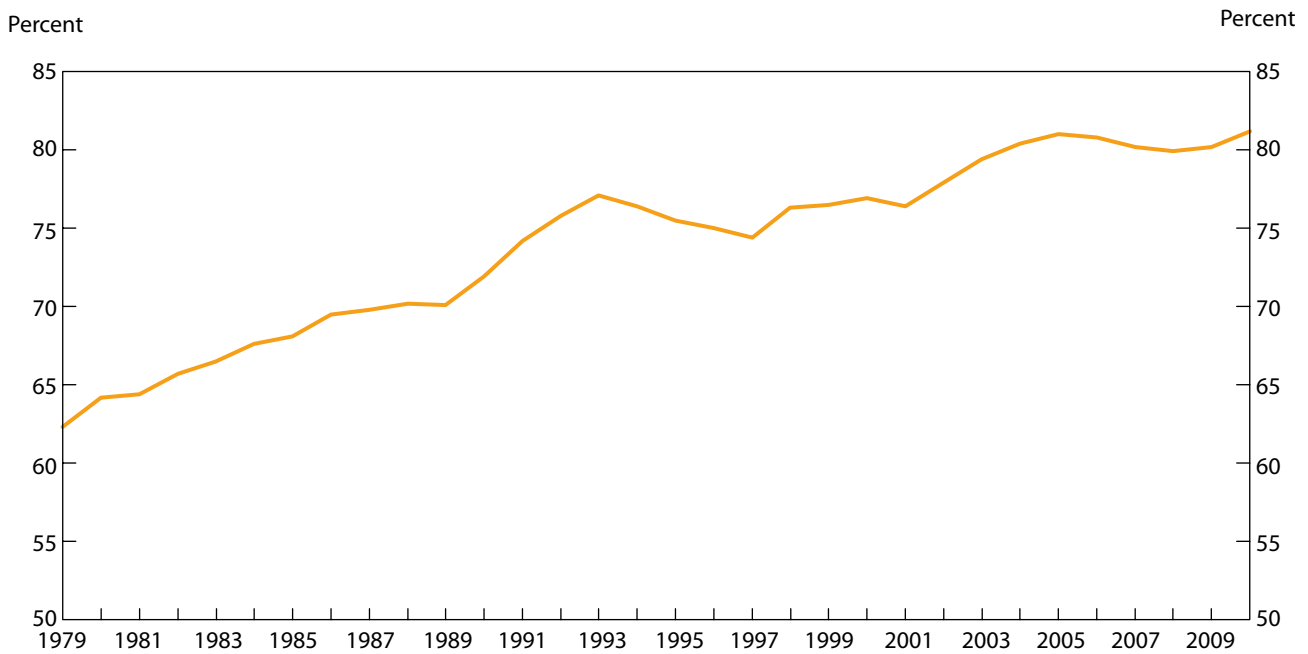


Table 8. Employment status of the civilian noninstitutional population by sex, age, and disability status, not seasonally adjusted quarterly averages, 2009–10

[Levels in thousands]

| Employment status, sex, and age | Persons with a disability | | | Persons with no disability | | |
|---------------------------------------|---------------------------|-----------------|--------------------------------------------|----------------------------|-----------------|--------------------------------------------|
| | Quarter IV 2009 | Quarter IV 2010 | Change, quarter IV 2009 to quarter IV 2010 | Quarter IV 2009 | Quarter IV 2010 | Change, quarter IV 2009 to quarter IV 2010 |
| Total, 16 years and older | | | | | | |
| Civilian labor force | 5,830 | 5,715 | -115 | 147,459 | 147,787 | 328 |
| Participation rate..... | 21.6 | 21.3 | -.3 | 70.3 | 69.7 | -.6 |
| Employed..... | 4,967 | 4,885 | -82 | 133,757 | 134,556 | 799 |
| Employment-population ratio | 18.4 | 18.2 | -.2 | 63.8 | 63.5 | -.3 |
| Unemployed | 863 | 830 | -33 | 13,702 | 13,231 | -471 |
| Unemployment rate..... | 14.8 | 14.5 | -.3 | 9.3 | 9.0 | -.3 |
| Men, 16 to 64 years | | | | | | |
| Civilian labor force | 2,637 | 2,625 | -12 | 75,222 | 75,217 | -5 |
| Participation rate..... | 36.4 | 35.5 | -.9 | 82.8 | 82.3 | -.5 |
| Employed..... | 2,205 | 2,206 | 1 | 67,250 | 67,874 | 624 |
| Employment-population ratio | 30.4 | 29.9 | -.5 | 74.1 | 74.3 | .2 |
| Unemployed | 432 | 418 | -14 | 7,972 | 7,343 | -629 |
| Unemployment rate..... | 16.4 | 15.9 | -.5 | 10.6 | 9.8 | -.8 |
| Women, 16 to 64 years | | | | | | |
| Civilian labor force | 2,352 | 2,303 | -49 | 66,379 | 66,518 | 139 |
| Participation rate..... | 31.0 | 31.0 | .0 | 71.5 | 71.1 | -.4 |
| Employed..... | 2,003 | 1,955 | -48 | 61,000 | 61,018 | 18 |
| Employment-population ratio | 26.4 | 26.4 | .0 | 65.7 | 65.2 | -.5 |
| Unemployed | 349 | 348 | -1 | 5,379 | 5,500 | 121 |
| Unemployment rate..... | 14.8 | 15.1 | .3 | 8.1 | 8.3 | .2 |
| Both sexes, 65 years and older | | | | | | |
| Civilian labor force | 840 | 787 | -53 | 5,858 | 6,052 | 194 |
| Participation rate..... | 6.9 | 6.6 | -.3 | 22.4 | 22.4 | .0 |
| Employed..... | 759 | 723 | -36 | 5,507 | 5,664 | 157 |
| Employment-population ratio | 6.2 | 6.0 | -.2 | 21.1 | 21.0 | -.1 |
| Unemployed | 81 | 63 | -18 | 351 | 388 | 37 |
| Unemployment rate..... | 9.7 | 8.1 | -1.6 | 6.0 | 6.4 | .4 |

NOTE: A person with a disability has at least one of the following conditions: deafness or serious difficulty hearing; blindness or serious difficulty seeing, even when wearing glasses; serious difficulty concentrating, remembering, or making decisions because of a physical, mental, or emotional condition; serious difficulty walking or climbing stairs; difficulty

dressing or bathing; or difficulty doing errands alone such as visiting a doctor's office or shopping because of a physical, mental, or emotional condition. Updated population controls are introduced annually with the release of January data.

Table 9. Employment status of the foreign- and native-born populations by sex, not seasonally adjusted quarterly averages, 2009–10

[Levels in thousands]

| Employment status and nativity | Both sexes | | | Men | | | Women | | |
|-----------------------------------------|-----------------|-----------------|--------------------------------------------|-----------------|-----------------|--------------------------------------------|-----------------|-----------------|--------------------------------------------|
| | Quarter IV 2009 | Quarter IV 2010 | Change, quarter IV 2009 to quarter IV 2010 | Quarter IV 2009 | Quarter IV 2010 | Change, quarter IV 2009 to quarter IV 2010 | Quarter IV 2009 | Quarter IV 2010 | Change, quarter IV 2009 to quarter IV 2010 |
| Foreign born, 16 years and older | | | | | | | | | |
| Civilian labor force..... | 24,157 | 24,700 | 543 | 14,292 | 14,410 | 118 | 9,864 | 10,290 | 426 |
| Participation rate..... | 67.7 | 67.8 | .1 | 79.7 | 79.8 | .1 | 55.5 | 56.1 | .6 |
| Employed..... | 21,746 | 22,274 | 528 | 12,799 | 12,984 | 185 | 8,947 | 9,290 | 343 |
| Employment-population ratio..... | 60.9 | 61.2 | .3 | 71.4 | 71.9 | .5 | 50.4 | 50.6 | .2 |
| Unemployed..... | 2,411 | 2,427 | 16 | 1,494 | 1,427 | -67 | 918 | 1,000 | 82 |
| Unemployment rate..... | 10.0 | 9.8 | -.2 | 10.5 | 9.9 | -.6 | 9.3 | 9.7 | .4 |
| Native born, 16 years and older | | | | | | | | | |
| Civilian labor force..... | 129,312 | 128,802 | -510 | 67,267 | 67,200 | -67 | 61,865 | 61,602 | -263 |
| Participation rate..... | 64.2 | 63.7 | -.5 | 69.6 | 68.9 | -.7 | 59.3 | 58.8 | -.5 |
| Employed..... | 116,979 | 117,167 | 188 | 60,110 | 60,595 | 485 | 56,869 | 56,572 | -297 |
| Employment-population ratio..... | 58.2 | 57.9 | -.3 | 62.2 | 62.1 | -.1 | 54.5 | 54.0 | -.5 |
| Unemployed..... | 12,153 | 11,634 | -519 | 7,157 | 6,605 | -552 | 4,997 | 5,029 | 32 |
| Unemployment rate..... | 9.4 | 9.0 | -.4 | 10.6 | 9.8 | -.8 | 8.1 | 8.2 | .1 |

NOTE: The foreign born are those residing in the United States who were not U.S. citizens at birth. That is, they were born outside the United States or one of its outlying areas such as Puerto Rico or Guam, to parents who both were not U.S. citizens. The native born are persons who were born in the United States or one of its outlying areas such as Puerto Rico or Guam or who were born abroad of at least one parent who was a U.S. citizen. Updated population controls are introduced annually with the release of January data.

older were in the labor force in the fourth quarter of 2010, compared with 77.2 percent of their nonveteran counterparts. This disparity in participation rates reflects the older age profile of male veterans, who are much more likely than nonveterans to be 55 years and older; older workers, in general, have relatively low rates of labor force participation. The participation rate for male veterans of Gulf War era II was 84.3 percent in the fourth quarter. For both male veterans and male nonveterans, labor force participation declined during 2010. Employment-population ratios for male veterans of all service periods fell during 2010, while the ratio for their nonveteran counterparts was little changed. In the fourth quarter of 2010, the employment-population ratio for male Gulf War-era II veterans was 75.2 percent. (See table 7.)

The unemployment rate for male veterans, at 8.5 percent, was lower than the rate for nonveterans of 9.8 percent in the

fourth quarter of 2010. For male veterans, unemployment rates ranged from a low of 6.7 percent for those who served during Gulf War era I to a high of 10.8 percent for veterans of Gulf War era II. For each period of service, unemployment rates for male veterans changed little during 2010.

At the end of 2010, labor force participation rates and unemployment rates for both persons with and without a disability were little changed from their year-earlier levels. The labor force participation rate for persons with a disability in the fourth quarter of 2010 was 21.3 percent, compared with a rate of 69.7 percent for those without a disability. (See table 8.) At the end of 2010, the unemployment rate for persons with a disability was 14.5 percent, while that for persons without a disability was 9.0 percent. Labor force participation rates and unemployment rates for both groups changed little during the year.¹⁶

The low labor force participation rate among persons with a disability is due partly to the fact that a large share of the population of persons with a disability—45 percent in the fourth quarter of 2010—is 65 years and older, and older workers, in general, have low rates of labor force participation. However, even for persons 16 to 64 years, those with a disability were much less likely to be in the labor force than their counterparts with no disability.

Both foreign- and native-born individuals continued to be adversely affected by poor labor market conditions. In the fourth quarter of 2010, foreign-born workers represented 16.1 percent of the U.S. civilian labor force 16 years and older. Foreign-born workers are persons who reside in the United States but were born outside the country or outside one of its outlying areas (such as Puerto Rico or Guam) to parents who were not U.S. citizens. The foreign born comprise legally admitted immigrants, refugees, and temporary residents such as students and temporary workers, as well as undocumented immigrants. In the fourth quarter of 2010, 67.8 percent of the foreign born, or 24.7 million individuals, were in the labor force, about the same proportion as a year earlier. By comparison, the labor force participation rate of native-born workers fell over the year,

to 63.7 percent in the fourth quarter of 2010. (See table 9.)

From the fourth quarter of 2009 to the fourth quarter of 2010, the employment-population ratio for the foreign born edged up to 61.2 percent, while that for the native born declined to 57.9 percent. The unemployment rate for the native born declined in 2010, while that for the foreign born showed little change; by the end of the year, the unemployment rate for the native born was 9.0 percent, while that for the foreign born was 9.8 percent.

CPS DATA INDICATE CONTINUED WEAKNESS in the labor market in 2010 despite a drop in the unemployment rate in the first quarter of the year. The employment-population ratio changed little over the year, and the labor force participation rate edged down. Fewer individuals were unemployed because of job loss, but the unemployed included a growing proportion of the long-term jobless, whose number reached a record high in mid-2010. In addition, the number of persons employed part time for economic reasons remained at historically high levels. Median weekly earnings for full-time wage and salary workers overall increased at a slower rate than inflation and posted the smallest rise in earnings since the inception of the series three decades ago. □

Notes

¹ The National Bureau of Economic Research (NBER), the generally recognized arbiter of recessions in the United States, has determined that June 2009 was the endpoint of the recession that began in December 2007.

² The data in this article are based on information collected in the Current Population Survey (CPS)—also called the household survey—a sample survey of about 60,000 households nationwide conducted for the Bureau of Labor Statistics by the Census Bureau. (For more information about the household survey, see the box on page 4.) Although the CPS is a monthly survey, the data analyzed throughout the article are seasonally adjusted quarterly averages, unless otherwise noted. All over-the-year changes are comparisons of fourth-quarter data from 2009 with those from 2010.

³ The employment-population ratio is the proportion of the civilian noninstitutional population 16 years and older that is employed.

⁴ For more information on the labor market's performance during the most recent recession, see James M. Borbely, "Sizing up the 2007–09 recession: comparing two key labor market indicators with earlier downturns," *Issues in Labor Statistics*, Summary 10–11 (Bureau of Labor Statistics, December 2010), on the Internet at www.bls.gov/opub/ils/pdf/opbils88.pdf (visited February 9, 2011).

⁵ Duration of joblessness is the length of time (through the current reference week) that people classified as unemployed have been looking for work. This measure refers to the current spell of unemployment rather than to the duration of a completed spell.

⁶ For additional analysis, see Thomas Luke Spreen, "Ranks of those unemployed for a year or more up sharply," *Issues in Labor Statistics*,

Summary 10–10 (Bureau of Labor Statistics, October 2010), on the Internet at www.bls.gov/opub/ils/pdf/opbils87.pdf (visited February 9, 2011).

⁷ For more information and analysis of recent data, see Harley J. Frazis, "Labor force flows in the most recent recession," *Issues in Labor Statistics*, Summary 10–08 (Bureau of Labor Statistics, July 2010), on the Internet at <http://www.bls.gov/opub/ils/pdf/opbils85.pdf> (visited February 15, 2011); and Harley J. Frazis and Randy E. Ilg, "Trends in labor force flows during recent recessions," *Monthly Labor Review*, April 2009, pp.3–18, on the Internet at www.bls.gov/opub/mlr/2009/04/art1full.pdf (visited February 9, 2011).

⁸ For additional information, see Emy Sok, "Involuntary part-time work on the rise," *Issues in Labor Statistics*, Summary 08–08 (Bureau of Labor Statistics, December 2008), on the Internet at www.bls.gov/opub/ils/pdf/opbils71.pdf (visited February 9, 2011).

⁹ "Persons not in the labor force who want a job" is a measure of persons who reported wanting a job without having necessarily looked for one; this group includes all persons who responded "yes" to the question, "Do you currently want a job, either full or part time?"

¹⁰ For additional analysis of persons marginally attached to the labor force, see Sharon Cohany, "Ranks of Discouraged Workers and Others Marginally Attached to the Labor Force Rise During Recession," *Issues in Labor Statistics*, Summary 09–04 (Bureau of Labor Statistics, April 2009), on the Internet at <http://www.bls.gov/opub/ils/pdf/opbils74.pdf> (visited February 9, 2011).

¹¹ For further information, see Steven E. Haugen, "Measures of Labor Underutilization from the Current Population Survey," Working

Paper 424 (Bureau of Labor Statistics, March 2009), on the Internet at www.bls.gov/osmr/pdf/ec090020.pdf (visited February 9, 2011).

¹² See Abraham Mosisa and Steven Hipple, "Trends in labor force participation in the United States," *Monthly Labor Review*, October 2006, pp. 35–57; on the Internet at www.bls.gov/opub/mlr/2006/10/art3full.pdf (visited March 17, 2011).

¹³ For further analysis of labor force participation by age, see Andrew Sum and Joseph McLaughlin, "Out with the young and in with the old: U.S. labor markets 2000–2008 and the case for an immediate jobs creation program for teens and young adults," (Boston, Center for Labor Market Studies Publications, Paper 18, December 2008), on the Internet at <http://hdl.handle.net/2047/d20000601>

(visited February 9, 2011).

¹⁴ For additional analysis of recent trends in the labor force status of older workers, see Emy Sok, "Record unemployment among older workers does not keep them out of the job market," *Issues in Labor Statistics*, Summary 10–04 (Bureau of Labor Statistics, March 2010), on the Internet at www.bls.gov/opub/ils/pdf/opbils81.pdf (visited February 9, 2011).

¹⁵ Veterans who served in more than one wartime period are classified only in the most recent one.

¹⁶ For more information about CPS data on people with a disability, see "Frequently asked questions about disability data," on the Internet at www.bls.gov/cps/cpsdisability_faq.htm (visited February 9, 2011).