

NOTE: Corrections were made to this article on February 21, 2012. For details on these corrections, please see Errata at [www.bls.gov/opub/mlr/2012/01/errata.pdf](http://www.bls.gov/opub/mlr/2012/01/errata.pdf).

## *Employment outlook: 2010–2020*

# Labor force projections to 2020: a more slowly growing workforce

*The projected labor force growth over the next 10 years will be affected by the aging of the baby-boom generation; as a result, the labor force is projected to grow at a slower rate than in the last several decades*

Mitra Toossi

The recession of 2007–2009, a sluggish labor market, crises in the financial and credit markets, and weakness in the housing sector have combined to create great uncertainty about the future of the U.S. economy and labor market. However, despite all these problems, a positive force in the economy is the size and demographic composition of the U.S. population, which together determine the growth and composition of the labor force. As suggested by the saying “Demography is destiny,”<sup>1</sup> demography is a key driving force in the growth of the U.S. economy, the growth of the labor force, and almost all social and economic trends.

Compared with the labor force of the past decades, today’s labor force is older, more racially and ethnically diverse, and composed of more women.<sup>2</sup> These trends are expected to continue to shape the future of the workforce; however, the U.S. labor force is expected to grow at a slightly slower rate than in previous decades. The annual growth rate of the U.S. labor force over the 2010–2020 period is projected to be 0.7 percent, lower than the 0.8-percent growth rate exhibited in the previous decade. The labor force is projected to increase by 10.5 million in the next decade, reaching 164.4 million in 2020. This 6.8-percent

increase in the size of the labor force is lower than the 7.9-percent increase posted over the previous 10-year period, 2000–2010, when the labor force grew by 11.3 million. (See table 1.)

The slower growth of the labor force is primarily the result of a slower rate of growth in the U.S. population and a noticeable decrease in the labor force participation rate. The civilian noninstitutional population 16 years and older had an annual growth rate of 1.1 percent from 2000 to 2010, but is projected to grow by a lesser 1.0 percent during 2010–2020. (See table 2.) In addition, the labor force participation rate started a downward trend in 2000, and the decrease accelerated during the 2007–2009 recession and its aftermath. As a result, the labor force participation rate declined by 2.4 percentage points over the 2000–2010 period and is projected to drop by another 2.2 percentage points between 2010 and 2020. These two declining factors lead to a projected annual growth rate of only 0.7 percent for the labor force from 2010 to 2020, a 0.1-percent drop from the annual growth rate exhibited in the 2000–2010 timeframe. (See table 3.)

The projected labor force growth over the next 10 years will be affected by the aging of the baby-boom generation, persons born between 1946 and 1964. The baby boomers will be between the ages of 56 and 74 in 2020, placing them in the 55-years-and-older age group in the labor force, with distinctively lower

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**Table 1. Civilian labor force, by age, gender, race, and ethnicity, 1990, 2000, 2010, and projected 2020**

[Numbers in thousands]

Group	Level				Change			Percent change			Percent distribution				Annual growth rate (percent)		
	1990	2000	2010	2020	1990–2000	2000–2010	2010–2020	1990–2000	2000–2010	2010–2020	1990	2000	2010	2020	1990–2000	2000–2010	2010–2020
Total, 16 years and older	125,840	142,583	153,889	164,360	16,743	11,306	10,471	13.3	7.9	6.8	100.0	100.0	100.0	100.0	1.3	0.8	0.7
Age, years:																	
16 to 24	22,492	22,520	20,934	18,330	28	-1,586	-2,604	.1	-7.0	-12.4	17.9	15.8	13.6	11.2	.0	-.7	-1.3
25 to 54	88,322	101,394	102,940	104,619	13,072	1,546	1,679	14.8	1.5	1.6	70.2	71.1	66.9	63.7	1.4	.2	.2
55 and older	15,026	18,669	30,014	41,411	3,643	11,345	11,397	24.2	60.8	38.0	11.9	13.1	19.5	25.2	2.2	4.9	3.3
Gender:																	
Men	69,011	76,280	81,985	87,128	7,269	5,705	5,143	10.5	7.5	6.3	54.8	53.5	53.3	53.0	1.0	.7	.6
Women	56,829	66,303	71,904	77,232	9,474	5,601	5,328	16.7	8.4	7.4	45.2	46.5	46.7	47.0	1.6	.8	.7
Race:																	
White	107,447	118,545	125,084	130,516	11,098	6,539	5,432	10.3	5.5	4.3	85.4	83.1	81.3	79.4	1.0	.5	.4
Black	13,740	16,397	17,862	19,676	2,657	1,465	1,814	19.3	8.9	10.2	10.9	11.5	11.6	12.0	1.8	.9	1.0
Asian	4,653	6,270	7,248	9,430	1,617	978	2,182	34.8	15.6	30.1	3.7	4.4	4.7	5.7	3.0	1.5	2.7
All other groups <sup>1</sup>	-	1,371	3,694	4,738	-	2,323	1,044	-	169.4	28.3	-	1.0	2.4	2.9	-	10.4	2.5
Ethnicity:																	
Hispanic origin	10,720	16,689	22,748	30,493	5,969	6,059	7,745	55.7	36.3	34.0	8.5	11.7	14.8	18.6	4.5	3.1	3.0
Other than Hispanic origin	115,120	125,894	131,141	133,867	10,774	5,247	2,726	9.4	4.2	2.1	91.5	88.3	85.2	81.4	.9	.4	.2
White non-Hispanic	97,818	102,729	103,947	102,371	4,911	1,218	-1,576	5.0	1.2	-1.5	77.7	72.0	67.5	62.3	.5	.1	-.2
Age of baby boomers	26 to 44	36 to 54	46 to 64	56 to 74	...	...	...	...	...	...	...	...	...	...	...	...	...

<sup>1</sup> The "all other groups" category includes (1) those classified as being of multiple racial origin and (2) the racial categories of (2a) American Indian and Alaska Native and (2b) Native Hawaiian and Other Pacific Islanders.

NOTE: Dash indicates no data collected for category. Details may not sum to totals because of rounding.

SOURCE: U.S. Bureau of Labor Statistics.

participation rates than those of the prime age group of 25-to-54-year-olds.

Changes in the labor force participation rate are generally gradual, and population growth is the chief factor in the growth of the labor force. However, during the recent recession, the aggregate labor force participation rate also decreased noticeably and affected the growth of the labor force. In the early days of the recession, in 2008, the aggregate participation rate was 66.0 percent. In 2009 the overall participation rate dropped by 0.6 percentage point, to 65.4 percent, and in 2010 it decreased even further, by another 0.7 percentage point, to 64.7 percent.

The Bureau of Labor Statistics (BLS) produces its labor

force projections by multiplying the civilian noninstitutional population projections by the labor force participation rate projections. As a result, changes projected in the aggregate labor force are the reflection of changes in both the labor force participation rate and changes in the age, gender, racial, and ethnic composition of the population.

This article projects and profiles U.S. labor force trends in the next 10 years. First, on the basis of historical population data and projections from the U.S. Census Bureau, past and future trends in the U.S. population are discussed. Then, current and future estimates of labor force participation rates are presented for detailed age, gender, racial, and ethnic groups. Finally, the median age of the labor force for

the different racial and ethnic groups is examined, along with the economic dependency ratio.

## U.S. population

The 2010 census measured the U.S. resident population at 308.7 million, an increase of 27.3 million people over a decade. In addition to counting the population every 10 years, the Census Bureau calculates annual population estimates and periodically produces long-term projections of the U.S. resident population by age, gender, race, and ethnicity.<sup>3</sup> These projections illustrate the demographic forces that are expected to shape the future of the U.S. resident population. Specifically, the U.S. population is expected to get larger, to continue growing at a slower rate, to grow older, and to become more diverse.

*Larger population.* The Census Bureau projects that the U.S. resident population will grow from 308.7 million in 2010 to 341.4 million in 2020, an increase of 32.7 million people in 10 years.

*Slower growth.* Even though the resident population will grow by large numbers, the annual rate of growth is projected to slow from 0.98 percent during 2009–2010 to 0.94 percent over the 2019–2020 period. The slower rate of growth is primarily the result of the aging of the U.S. population.

*Older population.* A significant factor shaping the future demographics of the U.S. population is the increase in older population cohorts. In 2020, the 55–years-and-older age group will total 97.8 million, composing 28.7 percent of the 2020 resident population, compared with 24.7 percent in 2010.

*A more diverse population.* Immigration has a major role in the growth and makeup of the racial and ethnic composition of the U.S. resident population. Every race and ethnicity is projected to grow over the 2010–2020 period. However, the *share* of White non-Hispanics in the total resident population is expected to decrease.

The Census Bureau provides projections of the resident population and the demographic components of change: births, deaths, and international migration by age, gender, race, and ethnicity. These population projections start from the 2000 Decennial Census and are estimated by means of a cohort component method.<sup>4</sup> Race and ethnicity are tabulated according to Office of Management and Budget guidelines.<sup>5</sup>

1. *Fertility.* The total fertility rate, which is the average

number of children born to a woman over the course of her life, is often the largest component of population change and has the greatest impact on the level and growth of the population.<sup>6</sup> Fertility is derived from the behavioral choices people make in planning their future. Even a minor change in the fertility rate, maintained over a long time, can have a great impact on future population growth. Higher fertility rates result in higher population growth, a lower median age, and a larger share of the population for younger age groups. Assumptions about the fertility rate affect estimates of the labor force with a lag of roughly 16 years, given that the definition of the labor force encompasses only those members of the civilian noninstitutional population 16 years and older who are employed or unemployed and are looking for a job.

In the most recent Census Bureau projection of the resident population, used as the basis of the BLS labor force projections, the future fertility rate is assumed to remain close to the present level, roughly the replacement level of 2.1. Differences in fertility rates among various racial and ethnic groups cause different growth patterns in specific population groups. Compared with other developed countries, the United States has a rather high fertility rate, primarily a result of higher fertility rates among young immigrants of different racial and ethnic backgrounds. However, this differential in fertility rates ultimately converges to the fertility rate of the native population in the second generation of immigrants.

2. *Mortality.* With changes in the health habits of individuals and continual progress in medicine and technology, the life expectancy of the U.S. population is expected to continue to increase.<sup>7</sup> In developed countries, mortality happens largely at the very old age cohorts, when people are mostly out of the labor force. As a result, mortality has a lesser effect on the working-age population than fertility has. The Census Bureau projects falling mortality rates and increasing life expectancies for the U.S. population, due primarily to a significant reduction in deaths from infectious diseases, heart conditions, strokes, and cancer. According to the Census Bureau, mortality rates of second-generation immigrants are projected to converge to that of the general population by 2075.

3. *Immigration.* Among the three sources of population growth, immigration is the most volatile, and thus hardest, to project. Immigration can be affected by sweeping changes in immigration policies or by events that happen in other parts of the world, encouraging or discouraging

more immigration to the United States. The immigration assumption is a major determinant of population projections and plays a significant role in the growth and composition of the labor force. Immigration is also the main source of diversity in both the population and the labor force. According to the Census Bureau's population projections used in the 2010–2020 projections of the labor force, net immigration to the United States is expected to add 1.4 million people annually to the U.S. resident population. This figure is a sharp increase over the roughly 800,000 immigrants per year projected in 2004 by the Census Bureau's previous long-term projections of the resident population. As the projected number of immigrants to the United States nearly doubles, a substantial change will occur in both the size and composition of the population. As with previous Census Bureau projections, assumptions about immigration are not constrained by any current policy on international migration patterns. The assumptions on immigration were developed with the use of a historical time series of data on the age, gender, race, and ethnicity of immigrants.<sup>8</sup>

### Civilian noninstitutional population

The Bureau of Labor Statistics converts the resident population projections of the Census Bureau to projections of the civilian noninstitutional population for use in BLS labor force projections.<sup>9</sup> The conversion takes place in four steps. First, the population of children under age 16 is subtracted from the total U.S. resident population, to yield the U.S. resident population 16 years and older. Second, estimates of the Armed Forces by age, gender, racial, and ethnic categories are subtracted from the U.S. resident population 16 years and older, giving the total civilian population.<sup>10</sup> Then, on the basis of Census Bureau data on the U.S. institutional population, and under another set of assumptions about the institutionalization rates of the different categories of population, an estimate of the civilian noninstitutional population is derived from that of the civilian population for the years covered by the BLS projections. Finally, the resulting estimate of the civilian noninstitutional population is benchmarked to the latest annual averages of civilian noninstitutional population data from the Current Population Survey.<sup>11</sup>

Table 2 provides snapshots of the U.S. civilian noninstitutional population and its composition by age, gender, race, and ethnicity, historically from 1990 through 2010 and projected for 2020. The civilian noninstitutional population was 189.2 million in 1990 and 212.6 million

in 2000. It grew by 1.1 percent annually over the 2000–2010 period, reaching 237.8 million in 2010, an increase of 25.3 million people over the 2000 figure. The civilian noninstitutional population is projected to grow by 1.0 percent annually, an increase of another 25.3 million, during 2010–2020, reaching 263.0 million in the latter year.

*Age.* Table 2 highlights the share of the youth, prime-age, and older age groups in the total civilian noninstitutional population. The 16-to-24-year-old group's share declined from 17.7 percent in 1990 to 16.0 percent in 2010. This age cohort is projected to have no growth over the 2010–2020 period, and its share of the civilian noninstitutional population is expected to decline even further during that same timeframe, reaching 14.5 percent in 2020.

The 25-to-54-year-old age group's share of the total civilian noninstitutional population was 56.8 percent in 2000, dropped to 52.7 percent in 2010, and is projected to drop further, to 48.9 percent in 2020. The so-called baby-bust generation is the generation following the baby boomers and comprises the age cohorts that reflect the drop in birthrates that took place from 1965 through 1975. In the years from 2010 to 2020, the baby-bust cohorts will be in the prime age group 25 to 54 years old. In 2010, the baby busters were between the ages of 35 and 45 and were a much smaller cohort than the baby boomers, further lowering the growth of the civilian noninstitutional population and the labor force. In 2020, the baby busters will be ages 45 to 55. Table 2 shows clearly the path of the decline of the baby buster cohort. The group fell by 1.0 percent over the 1990–2000 timeframe, when they were 25 to 34 years old. Then, from 2000 to 2010, when they were 35 to 44 years old, the baby busters again declined by 1.0 percent. They are projected to drop by 0.8 percent during 2010–2020, when they will be between the ages of 45 and 54. The 35-to-44-year-olds' share of the population is expected to decrease from 20.8 percent in 2000 to 16.2 percent in 2020. The 45-to-54-year-olds' share is projected to decrease from 18.6 percent in 2010 to 15.6 percent in 2020.

By contrast, the 55-years-and-older age group increased its relative share, from 26.4 percent in 1990 to 27.1 percent in 2000. A decade later, in 2010, this group's share of the total civilian noninstitutional population increased to 31.4 percent. It is expected that the share will grow to 36.6 percent in 2020.

The aging of the baby-boom generation increases the shares of the older age groups in the population. The oldest baby boomers celebrated their 65th birthdays in 2011. In 2020, the entirety of this huge generation will be older

**Table 2. Civilian noninstitutional population, by age, gender, race, and ethnicity, 1990, 2000, 2010, and projected 2020**

[Numbers in thousands]

Group	Level				Change			Annual growth rate			Percent distribution			
	1990	2000	2010	2020	1990–2000	2000–2010	2010–2020	1990–2000	2000–2010	2010–2020	1990	2000	2010	2020
Total, 16 years and older	189,164	212,577	237,830	263,009	23,413	25,253	25,179	1.2	1.1	1.0	100.0	100.0	100.0	100.0
16 to 24	33,421	34,223	37,948	38,055	802	3,725	107	.2	1.0	.0	17.7	16.1	16.0	14.5
16 to 19	14,520	15,912	16,901	17,131	1,392	989	230	.9	.6	.1	7.7	7.5	7.1	6.5
20 to 24	18,902	18,311	21,047	20,924	-591	2,736	-123	-3	1.4	-1	10.0	8.6	8.8	8.0
25 to 54	105,777	120,657	125,291	128,665	14,880	4,634	3,374	1.3	.4	.3	55.9	56.8	52.7	48.9
25 to 34	42,976	38,704	40,903	45,215	-4,272	2,199	4,312	-1.0	.6	1.0	22.7	18.2	17.2	17.2
35 to 44	37,719	44,312	40,090	42,534	6,593	-4,222	2,444	1.6	-1.0	.6	19.9	20.8	16.9	16.2
45 to 54	25,081	37,641	44,297	40,916	12,560	6,656	-3,381	4.1	1.6	-8	13.3	17.7	18.6	15.6
55 and older	49,966	57,696	74,591	96,289	7,730	16,895	21,698	1.4	2.6	2.6	26.4	27.1	31.4	36.6
55 to 64	20,720	24,230	35,885	42,600	3,510	11,655	6,715	1.6	4.0	1.7	11.0	11.4	15.1	16.2
65 to 74	17,648	18,212	21,122	32,032	564	2,910	10,910	.3	1.5	4.3	9.3	8.6	8.9	12.2
75 and older	11,598	15,254	17,585	21,657	3,656	2,331	4,072	2.8	1.4	2.1	6.1	7.2	7.4	8.2
Men, 16 years and older	90,377	101,964	115,174	127,711	11,587	13,210	12,537	1.2	1.2	1.0	47.8	48.0	48.4	48.6
16 to 24	16,667	17,190	19,128	19,145	523	1,938	17	.3	1.1	.0	8.8	8.1	8.0	7.3
16 to 19	7,347	8,089	8,578	8,659	742	489	81	1.0	.6	.1	3.9	3.8	3.6	3.3
20 to 24	9,320	9,101	10,550	10,486	-219	1,449	-64	-2	1.5	-1	4.9	4.3	4.4	4.0
25 to 54	51,884	59,155	61,986	64,030	7,271	2,831	2,044	1.3	.5	.3	27.4	27.8	26.1	24.3
25 to 34	21,117	19,106	20,465	22,644	-2,011	1,359	2,179	-1.0	.7	1.0	11.2	9.0	8.6	8.6
35 to 44	18,529	21,684	19,807	21,134	3,155	-1,877	1,327	1.6	-9	.7	9.8	10.2	8.3	8.0
45 to 54	12,238	18,365	21,713	20,252	6,127	3,348	-1,461	4.1	1.7	-7	6.5	8.6	9.1	7.7
55 and older	21,826	25,619	34,060	44,536	3,793	8,441	10,476	1.6	2.9	2.7	11.5	12.1	14.3	16.9
55 to 64	9,778	11,583	17,291	20,611	1,805	5,708	3,320	1.7	4.1	1.8	5.2	5.4	7.3	7.8
65 to 74	7,776	8,217	9,758	14,928	441	1,541	5,170	.6	1.7	4.3	4.1	3.9	4.1	5.7
75 and older	4,273	5,819	7,011	8,998	1,546	1,192	1,987	3.1	1.9	2.5	2.3	2.7	2.9	3.4
Women, 16 years and older	98,787	110,613	122,656	135,298	11,826	12,043	12,642	1.1	1.0	1.0	52.2	52.0	51.6	51.4
16 to 24	16,754	17,034	18,820	18,909	280	1,786	89	.2	1.0	.0	8.9	8.0	7.9	7.2
16 to 19	7,173	7,823	8,323	8,471	650	500	148	.9	.6	.2	3.8	3.7	3.5	3.2
20 to 24	9,582	9,211	10,497	10,438	-371	1,286	-59	-4	1.3	-1	5.1	4.3	4.4	4.0
25 to 54	53,893	61,502	63,305	64,635	7,609	1,803	1,330	1.3	.3	.2	28.5	28.9	26.6	24.6
25 to 34	21,859	19,598	20,438	22,572	-2,261	840	2,134	-1.1	.4	1.0	11.6	9.2	8.6	8.6
35 to 44	19,190	22,628	20,282	21,400	3,438	-2,346	1,118	1.7	-1.1	.5	10.1	10.6	8.5	8.1
45 to 54	12,843	19,276	22,584	20,664	6,433	3,308	-1,920	4.1	1.6	-9	6.8	9.1	9.5	7.9
55 and older	28,139	32,077	40,531	51,753	3,938	8,454	11,222	1.3	2.4	2.5	14.9	15.1	17	19.7
55 to 64	10,942	12,647	18,594	21,989	1,705	5,947	3,395	1.5	3.9	1.7	5.8	5.9	7.8	8.4
65 to 74	9,872	9,995	11,363	17,105	123	1,368	5,742	.1	1.3	4.2	5.2	4.7	4.8	6.5
75 and older	7,325	9,435	10,574	12,659	2,110	1,139	2,085	2.6	1.1	1.8	3.9	4.4	4.4	4.8
White, 16 years and older	160,625	176,220	192,075	207,693	15,595	15,855	15,618	.9	.9	.8	84.9	82.9	80.8	79
Men	77,369	85,370	94,082	102,057	8,001	8,712	7,975	1	1	.8	40.9	40.2	39.6	38.8
Women	83,256	90,850	97,993	105,636	7,594	7,143	7,643	.9	.8	.8	44	42.7	41.2	40.2

See notes at end of table.

**Table 2. Continued—Civilian noninstitutional population, by age, gender, race, and ethnicity, 1990, 2000, 2010, and projected 2020**

[Numbers in thousands]

Group	Level				Change			Annual growth rate			Percent distribution			
	1990	2000	2010	2020	1990–2000	2000–2010	2010–2020	1990–2000	2000–2010	2010–2020	1990	2000	2010	2020
Black, 16 years and older	21,477	24,901	28,708	32,650	3,424	3,807	3,942	1.5	1.4	1.3	11.4	11.7	12.1	12.4
Men	9,573	11,129	12,939	14,894	1,556	1,810	1,955	1.5	1.5	1.4	5.1	5.2	5.4	5.7
Women	11,904	13,772	15,769	17,756	1,868	1,997	1,987	1.5	1.4	1.2	6.3	6.5	6.6	6.8
Asian, 16 years and older	7,062	9,330	11,199	14,952	2,268	1,869	3,753	2.8	1.8	2.9	3.7	4.4	4.7	5.7
Men	3,434	4,420	5,315	6,995	986	895	1,680	2.6	1.9	2.8	1.8	2.1	2.2	2.7
Women	3,628	4,910	5,884	7,957	1,282	974	2,073	3.1	1.8	3.1	1.9	2.3	2.5	3.0
All other racial groups <sup>1</sup>	–	2,126	5,847	7,714	–	3,721	1,867	–	10.6	2.8	–	.9	2.5	2.9
Men	–	1,045	2,838	3,765	–	1,793	927	–	10.5	2.9	–	.4	1.2	1.4
Women	–	1,081	3,009	3,949	–	1,928	940	–	10.8	2.8	–	.5	1.3	1.5
Hispanic origin, 16 years and older	15,904	23,938	33,713	46,067	8,034	9,775	12,354	4.2	3.5	3.2	8.4	11.3	14.2	17.5
Men	8,041	12,174	17,359	23,540	4,133	5,185	6,181	4.2	3.6	3.1	4.3	5.7	7.3	9.0
Women	7,863	11,764	16,353	22,527	3,901	4,589	6,174	4.1	3.3	3.3	4.2	5.5	6.9	8.6
Other than Hispanic origin, 16 years and older	173,260	188,639	204,117	216,942	15,379	15,478	12,825	.9	.8	.6	91.6	88.7	85.8	82.5
Men	82,336	89,790	97,815	104,171	7,454	8,025	6,356	.9	.9	.6	43.5	42.2	41.1	39.6
Women	90,924	98,849	106,303	112,771	7,925	7,454	6,468	.8	.7	.6	48.1	46.5	44.7	42.9
White non-Hispanic, 6 years and older	146,535	153,506	160,811	165,024	6,971	7,305	4,213	.5	.5	.3	77.5	72.2	67.6	62.7
Men	70,220	73,811	77,925	80,199	3,591	4,114	2,274	.5	.5	.3	37.1	34.7	32.8	30.5
Women	76,315	79,695	82,886	84,825	3,380	3,191	1,939	.4	.4	.2	40.3	37.5	34.9	32.3
Age of baby-boomers	26 to 44	36 to 54	46 to 64	56 to 74	...	...	...	...	...	...	...	...	...	...

<sup>1</sup> The “all other groups” category includes (1) those classified as being of multiple racial origin and (2) the racial categories of (2a) American Indian and Alaska Native and (2b) Native Hawaiian and Other Pacific Islanders.

NOTE: Dash indicates no data collected for category. Details may not sum to totals because of rounding.  
SOURCE: U.S. Bureau of Labor Statistics.

than 55 years of age.

*Gender.* The civilian noninstitutional population of men stood at 115.2 million in 2010 and is projected to be 127.7 million in 2020, an annual growth rate of 1.0 percent over the 2010–2020 period. The civilian noninstitutional population of women was 122.7 million in 2010 and is projected to be 135.3 million in 2020, also an annual growth rate of 1.0 percent over the same period and an increase of 12.6 million. The civilian noninstitutional population of women in the 55-years-and-older cohort was 6.5 million more than men in 2010 and is expected to be 7.2 million more in 2020. So, as the popu-

lation shifts to higher age groups, the population of older women will be increasing at a considerably higher rate than that of older men.

*Diversity.* Table 2 also clearly highlights the diversity in the civilian noninstitutional population. Minorities’ growing shares of that population have been an ongoing trend in the past several decades and are reflected in the Census Bureau and BLS projections of the U.S. population and labor force. Asians and Hispanics are projected to continue to grow much faster than White non-Hispanics.

The rate of growth of the Hispanic population is expected to be the highest of all racial and ethnic groups.

The civilian noninstitutional population of Hispanics was 15.9 million in 1990 and 23.9 million in 2000. From 2000 to 2010, their number increased by nearly 10 million, reaching 33.7 million in the latter year. BLS projects that the group will increase by another 12.4 million, to reach more than 46 million in 2020. The Hispanic share of the total civilian noninstitutional population will have increased from 11.3 percent in 2000 to 17.5 percent in 2020. Hispanic immigrants to the United States are mostly in younger age groups, and their entry into the country lowers the median age of the working-age population. The high fertility rate of Hispanics offsets the slow growth of the native-born population and increases the overall U.S. fertility rate.

BLS also projects that the Asian population will grow by 2.9 percent between 2010 and 2020 and increase the Asian share of the total civilian noninstitutional population to 5.7 percent. In contrast, the share of White non-Hispanics is projected to decline over the same period. The White non-Hispanic share of the total civilian noninstitutional population was 77.5 percent in 1990, declined to 72.2 percent in 2000, and fell to a low of 67.6 percent in 2010. The group's share is projected to decrease further, to 62.7 percent in 2020. The Black share of the total civilian noninstitutional population is expected to grow little, from 12.1 percent in 2010 to 12.4 percent in 2020.

### **Labor force participation rate**

The overall labor force participation rate peaked at 67.1 percent from 1997 to 2000 and then declined during the recession of 2001. Unlike its behavior in previous downturns, in which it would soon return to the prerecession level, the labor force participation rate continued to decline after the 2001 recession and then held steady at 66.0 percent from 2004 to 2008, with a small uptick to 66.2 percent in 2006. In the 2007–2009 recession, the overall labor force participation rate experienced a sharp drop, to 65.4 percent in 2009. In 2010, it came in at 64.7 percent, a further decrease of 0.7 percentage point. (See table 3.)

A number of factors are responsible for the downward pressure on participation rates. These factors affect the rates in various ways.

*Demographic and structural changes.* The aging of the U.S. population is a prime example of a demographic change that will affect the labor force participation rate and, hence, the labor force itself. As the baby-boom generation

has aged and moved from the prime age group, with high participation rates, to the older age groups, with significantly lower labor force participation rates, the overall labor force participation rate has declined. This trend is expected to continue and even accelerate in the 2010–2020 timeframe.

The demographic composition of the population directly affects the demographic composition of the labor force. In 1990, 11.9 percent of the labor force was 55 years and older. (See table 1.) Over the 1990–2000 timeframe, the share of the older labor force increased to 13.1 percent. In 2010, the share increased again, to 19.5 percent. BLS projects that the share of the 55-years-and-older labor force will increase to 25.2 percent in 2020. In 2000, baby boomers were ages 36 to 54 and all of them were in the prime age group of 25 to 54 years—the group with the highest participation rates. With the passage of every year after 2000, a segment of the baby-boom population has moved from the prime age group, with a high participation rate of 82.2 percent in 2010, to the 55-years-and-older age category, with a much lower participation rate of 40.2 percent in 2010, causing the overall participation rate to drop. (see table 3.) In other words, the U.S. labor market is currently experiencing a negative demographic effect in which a large segment of the population is moving from an age group with higher participation rates to an older age group with lower participation rates, resulting in a slowdown in the growth of the labor force. In addition, the baby bust is reinforcing this slowdown because fewer people are entering the labor force from that age cohort.

With the aging of the baby-boom generation, the older age cohorts are expected to make up a much larger share of both the population and the labor force. Because age is a major factor in the labor supply, the aging of the U.S. population will affect the growth of the labor force by lowering labor force participation rates.

Two long-term labor force projections have been published by BLS since 2000.<sup>12</sup> Even before the impact of the most recent recession was felt, both of these studies projected slower growth of the labor force participation rate and, consequently, the labor force. The increasing shares of workers in the 55-years-and-older age group is a structural force that will continue over the 2010–2020 period, dramatically lowering both the overall participation rate and the growth of the labor force.

*Cyclical changes.* Cyclical factors such as economic expansions and recessions cause short-term changes in labor force participation rates, which usually increase in expan-

**Table 3. Civilian labor force participation rates, by age, gender, race, and ethnicity, 1990, 2000, 2010, and projected 2020**

[In percent]

Group	Participation rate				Percentage-point change			Annual growth rate		
	1990	2000	2010	2020	1990–2000	2000–2010	2010–2020	1990–2000	2000–2010	2010–2020
Total, 16 years and older	66.5	67.1	64.7	62.5	0.6	–2.4	–2.2	0.1	0–4	–0.3
16 to 24	67.3	65.4	55.2	48.2	–1.9	–10.2	–7.0	–.3	–1.7	–1.3
16 to 19	53.7	52.0	34.9	26.5	–1.7	–17.1	–8.4	–.3	–3.9	–2.7
20 to 24	77.8	77.8	71.4	65.9	.0	–6.4	–5.5	.0	–.9	–.8
25 to 54	83.5	84.0	82.2	81.3	.5	–1.8	–.9	.1	–.2	–.1
25 to 34	83.6	84.6	82.2	80.6	1.0	–2.4	–1.6	.1	–.3	–.2
35 to 44	85.2	84.8	83.2	82.6	–.4	–1.6	–.6	.0	–.2	–.1
45 to 54	80.7	82.5	81.2	80.8	1.8	–1.3	–.4	.2	–.2	.0
55 and older	30.1	32.4	40.2	43.0	2.3	7.8	2.8	.7	2.2	.7
55 to 64	55.9	59.3	64.9	68.8	3.4	5.6	3.9	.6	.9	.6
55 to 59	67.0	68.9	73.3	76.3	1.9	4.4	3.0	.3	.6	.4
60 to 64	44.8	47.2	55.2	60.9	2.4	8.0	5.7	.5	1.6	1.0
60 to 61	55.1	57.1	62.5	64.2	2.0	5.4	1.7	.4	.9	.3
62 to 64	38.0	40.2	49.8	58.5	2.2	9.6	8.7	.6	2.2	1.6
65 and older	11.8	12.9	17.4	22.6	1.1	4.5	5.2	.9	3.0	2.6
65 to 74	16.7	19.2	25.7	31.0	2.5	6.5	5.3	1.4	3.0	1.9
65 to 69	21.0	24.5	31.5	37.8	3.5	7.0	6.3	1.6	2.5	1.8
70 to 74	11.3	13.5	18.0	22.8	2.2	4.5	4.8	1.8	2.9	2.4
75 and older	4.3	5.3	7.4	10.0	1.0	2.1	2.6	2.1	3.4	3.1
75 to 79	6.1	7.5	10.9	15.2	1.4	3.4	4.3	2.1	3.8	3.4
Men, 16 years and older	76.4	74.8	71.2	68.2	–1.6	–3.6	–3.0	–.2	–.5	–.4
16 to 24	71.8	68.6	56.8	50.6	–3.2	–11.8	–6.2	–.5	–1.9	–1.1
16 to 19	55.7	52.8	34.9	27.9	–2.9	–17.9	–7.0	–.5	–4.1	–2.2
20 to 24	84.4	82.6	74.5	69.4	–1.8	–8.1	–5.1	–.2	–1.0	–.7
25 to 54	93.4	91.6	89.3	88.1	–1.8	–1.9	–1.6	–.2	–.2	–.2
25 to 34	94.1	93.4	90.3	86.9	–.7	–3.1	–3.4	–.1	–.3	–.4
35 to 44	94.3	92.7	91.5	91.3	–1.6	–1.2	–.2	–.2	–.1	.0
45 to 54	90.7	88.6	86.8	86.0	–2.1	–1.8	–.8	–.2	–.2	–.1
55 and older	39.4	40.1	46.4	47.3	.7	6.3	.9	.2	1.5	.2
55 to 64	67.8	67.3	70.0	71.1	–.5	2.7	1.1	–.1	.4	.2
55 to 59	79.9	77.1	78.5	78.6	–2.8	1.4	.1	–.4	.2	.0
60 to 64	55.5	55.0	60.0	63.2	–.5	5.0	3.2	–.1	.9	.5
60 to 61	68.8	66.0	67.4	62.9	–2.8	1.4	–4.5	–.4	.2	–.7
62 to 64	46.5	47.0	54.6	63.4	.5	7.6	8.8	.1	1.5	1.5
65 and older	16.3	17.7	22.1	26.7	1.4	4.4	4.6	.8	2.2	1.9
65 to 74	21.4	24.6	30.4	35.1	3.2	5.8	4.7	1.4	2.1	1.4
65 to 69	26.0	30.3	36.5	41.4	4.3	6.2	4.9	1.5	1.9	1.3
70 to 74	15.4	18.0	22.0	27.0	2.6	4.0	5.0	1.6	2.0	2.1
75 and older	7.1	8.1	10.4	12.8	1.0	2.3	2.4	1.3	2.5	2.1
75 to 79	9.5	10.7	14.5	18.2	1.2	3.8	3.7	1.2	3.1	2.3
Women, 16 years and older	57.5	59.9	58.6	57.1	2.4	–1.3	–1.5	.4	–.2	–0.3
16 to 24	62.9	63.0	53.6	45.7	.1	–9.4	–7.9	.0	–1.6	–1.6
16 to 19	51.6	51.2	35.0	25.2	–.4	–16.2	–9.8	–.1	–3.7	–3.2
20 to 24	71.3	73.1	68.3	62.3	1.8	–4.8	–6.0	.2	–.7	–.9
25 to 54	74.0	76.7	75.2	74.6	2.7	–1.5	–.6	.4	–.2	–.1
25 to 34	73.5	76.1	74.7	74.2	2.6	–1.4	–.5	.3	–.2	–.1
35 to 44	76.4	77.2	75.2	74.0	.8	–2.0	–1.2	.1	–.3	–.2
45 to 54	71.2	76.8	75.7	75.7	5.6	–1.1	.0	.8	–.1	.0

See notes at end of table.



**Table 3. Continued—Civilian labor force participation rates, by age, gender, race, and ethnicity, 1990, 2000, 2010, and projected 2020**

[In percent]

Group	Participation rate				Percentage-point change			Annual growth rate		
	1990	2000	2010	2020	1990–2000	2000–2010	2010–2020	1990–2000	2000–2010	2010–2020
55 and older	22.9	26.1	35.1	39.3	3.2	9.0	4.2	1.3	3.0	1.1
55 to 64	45.2	51.9	60.2	66.6	6.7	8.3	6.4	1.4	1.5	1.0
55 to 59	55.3	61.4	68.4	74.1	6.1	7.0	5.7	1.1	1.1	.8
60 to 64	35.5	40.2	50.7	58.8	4.7	10.5	8.1	1.3	2.3	1.5
60 to 61	42.9	49.0	58.0	65.4	6.1	9.0	7.4	1.3	1.7	1.2
62 to 64	30.7	34.1	45.3	54.1	3.4	11.2	8.8	1.1	2.9	1.8
65 and older	8.6	9.4	13.8	19.2	.8	4.4	5.4	.9	3.9	3.4
65 to 74	13.0	14.9	21.6	27.5	1.9	6.7	5.9	1.4	3.8	2.4
65 to 69	17.0	19.5	27.0	34.5	2.5	7.5	7.5	1.4	3.3	2.5
70 to 74	8.2	10.0	14.7	19.2	1.8	4.7	4.5	2.0	3.9	2.7
75 and older	2.7	3.6	5.3	8.0	.9	1.7	2.7	2.9	3.9	4.2
75 to 79	3.9	5.3	8.2	13.0	1.4	2.9	4.8	3.1	4.5	4.7
Race:										
White	66.9	67.3	65.1	62.8	.4	-2.2	-2.3	.1	-3	-4
Men	77.1	75.5	72.0	69.0	-1.6	-3.5	-3.0	-2	-5	-4
Women	57.4	59.5	58.5	56.9	2.1	-1.0	-1.6	.4	-2	-3
Black	64.0	65.8	62.2	60.3	1.8	-3.6	-1.9	.3	-6	-3
Men	71.1	69.2	65.0	63.1	-1.9	-4.2	-1.9	-3	-6	-3
Women	58.3	63.1	59.9	57.9	4.8	-3.2	-2.0	.8	-5	-3
Asian	65.4	67.2	64.7	63.1	1.8	-2.5	-1.6	.3	-4	-3
Men	75.0	76.1	73.2	71.0	1.1	-2.9	-2.2	.1	-4	-3
Women	57.4	59.2	57.0	56.1	1.8	-2.2	-.9	.3	-4	-2
All other race groups <sup>1</sup>	-	-	63.2	61.4	-	-	-1.8	-	-	-3
Men	-	-	68.7	63.4	-	-	-5.3	-	-	-8
Women	-	-	58.0	59.5	-	-	1.5	-	-	.3
Ethnicity:										
Hispanic origin	67.4	69.7	67.5	66.2	2.3	-2.2	-1.3	.3	-3	-2
Men	81.4	81.5	77.8	75.9	.1	-3.7	-1.9	.0	-5	-2
Women	53.1	57.5	56.5	56.1	4.4	-1.0	-.4	.8	-2	-1
Other than Hispanic origin	66.4	66.7	64.2	61.7	.3	-2.5	-2.5	.0	-4	-4
Men	75.9	73.9	70.0	66.5	-2.0	-3.9	-3.5	-3	-5	-5
Women	57.9	60.2	59.0	57.3	2.3	-1.2	-1.7	.4	-2	-3
White non-Hispanic	66.8	66.9	64.6	62.0	.1	-2.3	-2.6	.0	-3	-4
Men	76.5	74.6	70.7	67.2	-1.9	-3.9	-3.5	-3	-5	-5
Women	57.8	59.8	58.9	57.2	2.0	-.9	-1.7	.3	-2	-3

<sup>1</sup> The "all other groups" category includes (1) those classified as being of multiple racial origin and (2) the racial categories of (2a) American Indian and Alaska Native or (2b) Native Hawaiian and Other Pacific Islanders.

NOTE: Dash indicates no data collected for category. Details may not sum to totals because of rounding.

SOURCE: U.S. Bureau of Labor Statistics.

sions and decline during economic downturns. During the 2007–2009 recession, weak demand for workers strengthened the aforementioned demographic and structural factors, pushing participation rates to considerably lower levels.

Historically, cyclical factors have had the greatest im-

pact on the labor force participation of the young. The youth labor force (16 to 24 years old) is quite vulnerable during recessions: youths are usually the first to be fired and the last to be hired.<sup>13</sup> During recessions and in weak job markets, this young age group tends to stay in school longer and experiences a significant drop in its labor force

participation rate. By contrast, the prime-age workforce is the least sensitive to economic downturns and cyclical changes, because its members are already firmly established in the labor market, with high labor force participation rates. Finally, like the youth labor force, the 55-years-and-older workforce is more sensitive to cyclical changes than the prime-age workforce.

In contrast to the factors exerting downward pressure on labor force participation rates, at least two factors have been responsible for strengthening the rates, although not enough to offset the factors pulling them down:

- The labor force participation rate of the 55-years-and-older age group has increased considerably since 1996. In 2000, the rate was 32.4 percent; a decade later, in 2010, it had risen significantly, to 40.2 percent. (See table 3.) BLS projects that the labor force participation rate of those 55 years and older will reach 43.0 percent in 2020. The continued gradual increase in the labor force participation rate of this age group, multiplied by the sheer number of baby boomers in the group, is expected to partially compensate for the multiple other factors pushing the rate to lower levels and is expected to keep it from declining even further in the future.

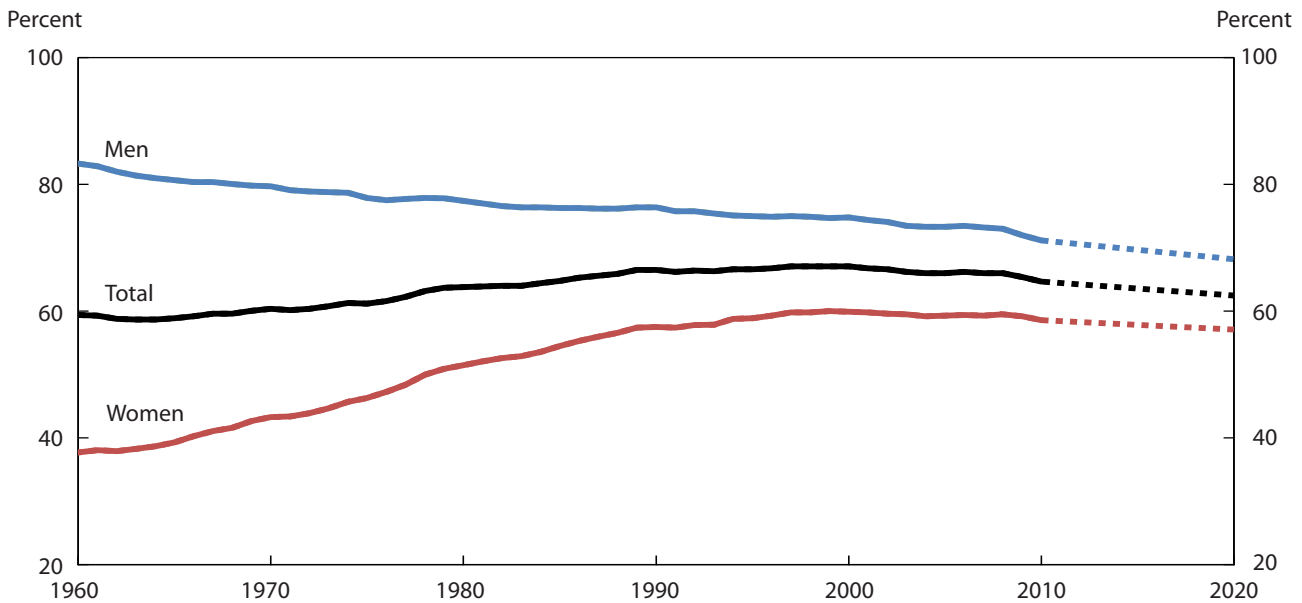
- Another factor responsible for strengthening the overall participation rate in the next 10 years is the increasing racial and ethnic diversity of both the population and the labor force. The participation rates of Hispanics and Asians, especially Hispanic and Asian men, have increased steadily in the past several decades. This factor, too, is expected to have an offsetting influence on the downward movement of labor force participation rates.

In sum, a combination of demographic, structural, and cyclical factors has affected the overall labor force participation rate, as well as the participation rates of specific groups, in the past. BLS projects that the downward pressure on the overall labor force participation rate will continue over the 2010–2020 period and the rate will gradually decline further, reaching 62.5 percent in 2020. (See chart 1.)

### Participation rate by age

*Workers 55 years and older.* The aging of the baby-boom generation has shifted the composition of the population toward older age groups, and this trend is likely to continue for the foreseeable future. In 2000, the baby

**Chart 1. Labor force participation rates, 1960–2010 and projected 2020**



SOURCE: U.S. Bureau of Labor Statistics.

boomers were in the 36-to-54-year-old age group, all of whose members were in the prime age group, the group with the highest participation rates. In 2020, that entire cohort will be older than 55 years. The shift of this huge group from the prime age to the older age groups is expected to exert significant downward pressure on the overall participation rate and on the growth of the labor force in the future.

*Prime-age workers 25 to 54 years.* Historically, this group has exhibited a strong attachment to the labor market. Over the next decade, the participation rate of the group is projected to decrease. The participation rate of 25-to-54-year-olds was 83.5 percent in 1990 and increased to 84.0 percent in 2000. (See table 3.) Since 2000, however, the rate has been declining each year or has remained flat at best, falling to 82.2 percent in 2010. BLS projects that the rate will decline to 81.3 percent in 2020.

The participation rate of a subgroup of prime-age workers, those 25 to 34 years old, also has been on a declining trend since 2000. This group had a participation rate of 82.2 percent in 2010. The rate is expected to decline to 80.6 percent in 2020. Two other age groups—those 35 to 44 years old and those 45 to 54 years old—have had similar experiences: both groups saw their participation rates decline since 2000, falling to 83.2 percent and 81.2 percent, respectively, in 2010. BLS projects that the participation rates for these two groups will decline further, to 82.6 percent and 80.8 percent, respectively, in 2020.

*Youths 16 to 24 years.* The two age groups of 16-to-19-year-olds and 20-to-24-year-olds have different patterns of labor force participation rates. The difference is partially explained by the differing shares of students and nonstudents in the groups. Students are less likely to participate in the labor force. Increases in school attendance at the secondary and college levels, particularly in summer school, decrease each group's participation rate in the labor force, but more so for the younger group, which has proportionally more students.<sup>14</sup>

Of all the age and gender categories that make up the labor force, 16-to-19-year-old men have experienced the largest decline and have had the greatest impact on the decrease of the overall participation rate. This group saw its participation rate fall from 55.7 percent in 1990 to 52.8 percent in 2000. Then, from 2000 to 2010, the rate declined by 17.9 percentage points, coming in at 34.9 percent in 2010. The cohort of 16-to-19-year-old women saw a similar steep decline in its participation rate. BLS

projects that the downward trend in the participation rates of both 16-to-19-year-old men and 16-to-19-year-old women will continue, further reducing the overall participation rate for the 16-to-19-years age group to 26.5 percent in 2020.

## Participation rate by gender

*Women.* The participation rate of women was 57.5 percent in 1990 and peaked to 60.0 percent in 1999. In 2000, the rate declined slightly, to 59.9 percent. Since then, the rate has shown a general pattern of slow decline, falling to 58.6 percent in 2010. With significant increases in the share of older women in the total population, the overall labor force participation rate for women is projected to slow down even further, to 57.1 percent in 2020.

Among the different age groups of women, 16-to-24-year-olds experienced a significant decrease in their participation rate, from 63.0 percent in 2000 to 53.6 percent in 2010. BLS expects this group's rate to continue to decrease.

In contrast to the younger group, the participation rate of women in the 55-years-and-older age group rose from 22.9 percent in 1990 to 26.1 percent in 2000 and increased again, this time by 9.0 percentage points, to 35.1 percent in 2010. BLS projects that the participation rate of women 55 years and older will increase to 39.3 percent, a gain of 4.2 percentage points, in 2020.

Women in the prime age group of 25 to 54 years had participation growth rates that were in between those of the younger and older age groups (neither as weak as the one nor as strong as the other). Prime-age women had a participation rate of 74.0 percent in 1990 and saw the rate peak at 76.7 percent in 2000. After that, the group's rate declined to 75.2 percent in 2010. BLS expects the rate to drop further, to 74.6 percent in 2020.

*Men.* The participation rate of men has been on a downward trend since the 1950s and is expected to continue to decrease in the next 10 years. In 1990, the rate was 76.4 percent; it fell to 74.8 percent in 2000 and to 71.2 percent in 2010. The rate is projected to decrease steadily to 68.2 percent in 2020. Younger men (16 to 24 years) saw their rate fall by a significant 15.0 percentage points, from 71.8 percent in 1990 to 56.8 percent in 2010. BLS expects the declining trend for this age group of men to continue into 2020.

The labor force participation rate of prime-age men (25 to 54 years) decreased from 93.4 percent in 1990, to 91.6 percent in 2000, to 89.3 percent in 2010. The par-

ticipation rate for this age group is projected to decrease further, to 88.1 percent in 2020. In contrast, and like the group of older women, the 55-years-and-older age group of men increased its participation rate from 1990 to 2010. Older men saw their labor force participation rate increase from 39.4 percent in 1990, to 40.1 percent in 2000, to 46.4 percent in 2010, the last increase a gain of 6.3 percentage points. BLS projects that men in this age group will increase their participation rate significantly, to 47.3 percent in 2020.

*Labor force participation rate by race and ethnicity.* There are substantial differences in the labor force participation rates of the various racial and ethnic groups, although the differences are usually not as great as those observed for the different age and gender groups. The tabulation that follows shows the variation and ranking of the various labor force participation rates by race in 2010. The rankings, from 1, the highest labor force participation rate, to 4, the lowest, apply to each column, individually.

Rank	Total	Men	Women
1 .....	Hispanic	Hispanic	Black
2 .....	Asian	Asian	White non- Hispanic
3 .....	White non- Hispanic	White non- Hispanic	Asian
4 .....	Black	Black	Hispanic

As the tabulation indicates, Hispanics in the aggregate and Hispanic men had the highest labor force participation rates in 2010 compared with the other racial and ethnic groups listed in that column. Hispanic women, by contrast, had the lowest participation rates in the workforce. Hispanics have a younger population than other racial and ethnic groups, and, consequently, have a greater proportion at the ages of higher participation rates. The aggregate Asian participation rate and the rate for Asian men ranked second in 2010, while Asian women were in third place among women. For Blacks, the situation by gender is reversed: Black women have a very high labor force participation rate, higher in fact than that of any other racial or ethnic group of women; however, the overall labor force participation rate of Blacks is the lowest of all the racial and ethnic groups. White non-Hispanics in the

aggregate and white non-Hispanic men ranked third in labor force participation rate, while White non-Hispanic women ranked second, in their respective categories.

The data in table 3 indicate that age, gender, and race or ethnicity are important in describing variations in labor force participation. Although overall labor force participation rates for men and women are projected to change during the next 10 years, the changes are expected to preserve the relative ranking of the different racial and ethnic groups, with minor differences in the participation rates of Asian and Hispanic women.

Higher participation in the labor force by Hispanic men and Asian men relative to other racial and ethnic groups would increase their share in the labor force, continuing the trend of even more racial and ethnic diversity in the workforce in the next 10 years.

### The projected labor force

The U.S. labor force grew at an annual rate of 1.3 percent over the 1990–2000 timeframe, followed by a 0.8-percent annual growth rate during the 2000–2010 period. As a result of the earlier mentioned projected slower population growth, combined with the significant decline in the overall labor force participation rate, particularly since 2008, labor force growth is projected to slow to 0.7 percent per year over the 2010–2020 timeframe. The labor force is anticipated to reach 164.4 million in 2020. This projected 6.8-percentage-point change from 2010 to 2020 is less than the 7.9-percentage-point increase registered over the 2000–2010 decade and translates into a numerical increase of 10.5 million, compared with 11.3 million over the 2000–2010 timeframe. (See table 4.)

The year 2000 marked a high point as far as the impact of demographics on the labor market is concerned. The entirety of the baby-boom generation was in the prime working-age group (25 to 54 years old). Every year following 2000, more members of this huge cohort, numbering 77 million, have pushed into the 55-years-and-older age group. The substantial shift of the population to older age groups will dampen the growth of the labor force over the next decade.

The labor force also will change in composition, with the various age, gender, racial, and ethnic groups experiencing growth at different rates.

### Labor force by gender

*Men.* The labor force of men grew by 1.0 percent annually in the 1990–2000 timeframe, followed by 0.7 percent over the 2000–2010 period. BLS projects that the men’s

**Table 4. Civilian labor force, by age, gender, race, and ethnicity, 1990, 2000, 2010, and projected 2020**

[Numbers in thousands]

Group	Level				Change			Percent change		
	1990	2000	2010	2020	1990–2000	2000–2010	2010–2020	1990–2000	2000–2010	2010–2020
Total, 16 years and older	125,840	142,583	153,889	164,360	16,743	11,306	10,471	13.3	7.9	6.8
16 to 24	22,492	22,520	20,934	18,330	28	-1,586	-2,604	.1	-7.0	-12.4
16 to 19	7,792	8,270	5,906	4,548	478	-2,364	-1,358	6.1	-28.6	-23.0
20 to 24	14,700	14,250	15,028	13,783	-450	778	-1,245	-3.1	5.5	-8.3
25 to 54	88,322	101,394	102,940	104,619	13,072	1,546	1,679	14.8	1.5	1.6
25 to 34	35,929	32,756	33,614	36,421	-3,173	858	2,807	-8.8	2.6	8.4
35 to 44	32,145	37,566	33,366	35,147	5,421	-4,200	1,781	16.9	-11.2	5.3
45 to 54	20,248	31,072	35,960	33,051	10,824	4,888	-2,909	53.5	15.7	-8.1
55 and older	15,026	18,669	30,014	41,411	3,643	11,345	11,397	24.2	60.8	38.0
55 to 64	11,575	14,357	23,297	29,298	2,782	8,940	6,001	24.0	62.3	25.8
65 to 74	2,952	3,505	5,424	9,945	553	1,919	4,521	18.7	54.8	83.4
75 and older	498	807	1,293	2,168	309	486	875	62.0	60.2	67.7
Men, 16 years and older	69,011	76,280	81,985	87,128	7,269	5,705	5,143	10.5	7.5	6.3
16 to 24	11,960	11,789	10,855	9,690	-171	-934	-1,165	-1.4	-7.9	-10.7
16 to 19	4,094	4,268	2,991	2,413	174	-1,277	-578	4.3	-29.9	-19.3
20 to 24	7,866	7,521	7,864	7,276	-345	343	-588	-4.4	4.6	-7.5
25 to 54	48,456	54,206	55,326	56,386	5,750	1,120	1,060	11.9	2.1	1.9
25 to 34	19,872	17,844	18,352	19,667	-2,028	508	1,315	-10.2	2.8	7.2
35 to 44	17,481	20,093	18,119	19,303	2,612	-1,974	1,184	14.9	-9.8	6.5
45 to 54	11,103	16,269	18,856	17,415	5,166	2,587	-1,441	46.5	15.9	-7.6
55 and older	8,594	10,285	15,803	21,052	1,691	5,518	5,249	19.7	53.7	33.2
55 to 64	6,627	7,796	12,103	14,662	1,169	4,307	2,559	17.6	55.2	21.1
65 to 74	1,664	2,018	2,971	5,236	354	953	2,265	21.3	47.2	76.2
75 and older	303	471	729	1,155	168	258	426	55.4	54.8	58.4
Women, 16 years and older	56,829	66,303	71,904	77,232	9,474	5,601	5,328	16.7	8.4	7.4
16 to 24	10,532	10,731	10,079	8,641	199	-652	-1,438	1.9	-6.1	-14.3
16 to 19	3,698	4,002	2,914	2,134	304	-1,088	-780	8.2	-27.2	-26.8
20 to 24	6,834	6,729	7,164	6,506	-105	435	-658	-1.5	6.5	-9.2
25 to 54	39,866	47,188	47,614	48,233	7,322	426	619	18.4	0.9	1.3
25 to 34	16,058	14,912	15,263	16,754	-1,146	351	1,491	-7.1	2.4	9.8
35 to 44	14,663	17,473	15,247	15,844	2,810	-2,226	597	19.2	-12.7	3.9
45 to 54	9,145	14,803	17,104	15,635	5,658	2,301	-1,469	61.9	15.5	-8.6
55 and older	6,431	8,384	14,211	20,358	1,953	5,827	6,147	30.4	69.5	43.3
55 to 64	4,948	6,561	11,194	14,637	1,613	4,633	3,443	32.6	70.6	30.8
65 to 74	1,288	1,487	2,453	4,709	199	966	2,256	15.5	65.0	92.0
75 and older	195	336	564	1,012	141	228	448	72.3	67.9	79.4
White	107,447	118,545	125,084	130,516	11,098	6,539	5,432	10.3	5.5	4.3
Men	59,638	64,466	67,728	70,379	4,828	3,262	2,651	8.1	5.1	3.9
Women	47,809	54,079	57,356	60,137	6,270	3,277	2,781	13.1	6.1	4.8
Black	13,740	16,397	17,862	19,676	2,657	1,465	1,814	19.3	8.9	10.2
Men	6,802	7,702	8,415	9,393	900	713	978	13.2	9.3	11.6
Women	6,938	8,695	9,447	10,283	1,757	752	836	25.3	8.6	8.8
Asian	4,653	6,270	7,248	9,430	1,617	978	2,182	34.8	15.6	30.1
Men	2,570	3,362	3,893	4,968	792	531	1,075	30.8	15.8	27.6
Women	2,083	2,908	3,355	4,462	825	447	1,107	39.6	15.4	33.0
All other groups <sup>1</sup>	-	1,371	3,694	4,738	-	2,323	1,044	-	169.4	28.3
Men	-	750	1,949	2,388	-	1,199	439	-	159.9	22.5
Women	-	621	1,746	2,350	-	1,125	604	-	181.2	34.6
Hispanic origin	10,720	16,689	22,748	30,493	5,969	6,059	7,745	55.7	36.3	34.0
Men	6,546	9,923	13,511	17,859	3,377	3,588	4,348	51.6	36.2	32.2
Women	4,174	6,767	9,238	12,634	2,593	2,471	3,396	62.1	36.5	36.8
Other than Hispanic origin	115,120	125,894	131,141	133,867	10,774	5,247	2,726	9.4	4.2	2.1
Men	62,465	66,357	68,474	69,269	3,892	2,117	795	6.2	3.2	1.2
Women	52,655	59,536	62,666	64,598	6,881	3,130	1,932	13.1	5.3	3.1
White non-Hispanic	97,818	102,729	103,947	102,371	4,911	1,218	-1,576	5.0	1.2	-1.5
Men	53,731	55,040	55,116	53,867	1,309	76	-1,249	2.4	.1	-2.3
Women	44,087	47,689	48,831	48,504	3,602	1,142	-327	8.2	2.4	-7

See notes at end of table.

**Table 4. Continued—Civilian labor force, by age, gender, race, and ethnicity, 1990, 2000, 2010, and projected 2020**

[Numbers in thousands]

Group	Percent distribution				Annual growth rate (percent)		
	1990	2000	2010	2020	1990–2000	2000–2010	2010–2020
Total, 16 years and older	100.0	100.0	100.0	100.0	1.3	0.8	0.7
16 to 24	17.9	15.8	13.6	11.2	.0	–.7	–1.3
16 to 19	6.2	5.8	3.8	2.8	.6	–3.3	–2.6
20 to 24	11.7	1.0	9.8	8.4	–.3	.5	–.9
25 to 54	70.2	71.1	66.9	63.7	1.4	.2	.2
25 to 34	28.6	23.0	21.8	22.2	–.9	.3	.8
35 to 44	25.5	26.3	21.7	21.4	1.6	–1.2	.5
45 to 54	16.1	21.8	23.4	20.1	4.4	1.5	–.8
55 and older	11.9	13.1	19.5	25.2	2.2	4.9	3.3
55 to 64	9.2	10.1	15.1	17.8	2.2	5.0	2.3
65 to 74	2.3	2.5	3.5	6.1	1.7	4.5	6.2
75 and older	.4	.6	.8	1.3	4.9	4.8	5.3
Men, 16 years and older	54.8	53.5	53.3	53.0	1.0	.7	.6
16 to 24	9.5	8.3	7.1	5.9	–.1	–.8	–1.1
16 to 19	3.3	3.0	1.9	1.5	.4	–3.5	–2.1
20 to 24	6.3	5.3	5.1	4.4	–.4	.4	–.8
25 to 54	38.5	38.0	36.0	34.3	1.1	.2	.2
25 to 34	15.8	12.5	11.9	12.0	–1.1	.3	.7
35 to 44	13.9	14.1	11.8	11.7	1.4	–1.0	.6
45 to 54	8.8	11.4	12.3	10.6	3.9	1.5	–.8
55 and older	6.8	7.2	10.3	12.8	1.8	4.4	2.9
55 to 64	5.3	5.5	7.9	8.9	1.6	4.5	1.9
65 to 74	1.3	1.4	1.9	3.2	1.9	3.9	5.8
75 and older	.2	.3	.5	.7	4.5	4.5	4.7
Women, 16 years and older	45.2	46.5	46.7	47.0	1.6	.8	.7
16 to 24	8.4	7.5	6.5	5.3	.2	–.6	–1.5
16 to 19	2.9	2.8	1.9	1.3	.8	–3.1	–3.1
20 to 24	5.4	4.7	4.7	4.0	–.2	.6	–1.0
25 to 54	31.7	33.1	30.9	29.3	1.7	.1	.1
25 to 34	12.8	10.5	9.9	10.2	–.7	.2	.9
35 to 44	11.7	12.3	9.9	9.6	1.8	–1.4	.4
45 to 54	7.3	10.4	11.1	9.5	4.9	1.5	–.9
55 and older	5.1	5.9	9.2	12.4	2.7	5.4	3.7
55 to 64	3.9	4.6	7.3	8.9	2.9	5.5	2.7
65 to 74	1.0	1.0	1.6	2.9	1.4	5.1	6.7
75 and older	.2	.2	.4	.6	5.6	5.3	6.0
White	85.4	83.1	81.3	79.4	1.0	.5	.4
Men	47.4	45.2	44.0	42.8	.8	.5	.4
Women	38.0	37.9	37.3	36.6	1.2	.6	.5
Black	10.9	11.5	11.6	12.0	1.8	.9	1.0
Men	5.4	5.4	5.5	5.7	1.3	.9	1.1
Women	5.5	6.1	6.1	6.3	2.3	.8	.9
Asian	3.7	4.4	4.7	5.7	3.0	1.5	2.7
Men	2.0	2.4	2.5	3.0	2.7	1.5	2.5
Women	1.7	2.0	2.2	2.7	3.4	1.4	2.9
All other groups <sup>1</sup>	–	1.0	2.4	2.9	–	10.4	2.5
Men	–	.5	1.3	1.5	–	10.0	2.1
Women	–	.4	1.1	1.4	–	10.9	3.0
Hispanic origin	8.5	11.7	14.8	18.6	4.5	3.1	3.0
Men	5.2	7.0	8.8	10.9	4.2	3.1	2.8
Women	3.3	4.7	6.0	7.7	5.0	3.2	3.2
Other than Hispanic origin	91.5	88.3	85.2	81.4	.9	.4	.2
Men	49.6	46.5	44.5	42.1	.6	.3	.1
Women	41.8	41.8	40.7	39.3	1.2	.5	.3
White non-Hispanic	77.7	72.0	67.5	62.3	.5	.1	–.2
Men	42.7	38.6	35.8	32.8	.2	.0	–.2
Women	35.0	33.4	31.7	29.5	.8	.2	–.1

<sup>1</sup> The “all other groups” category includes (1) those classified as being of multiple racial origin and (2) the racial categories of (2a) American Indian and Alaska Native and (2b) Native Hawaiian and Other Pacific Islanders.

NOTE: Dash indicates no data collected for category. Details may not sum to totals because of rounding.

SOURCE: U.S. Bureau of Labor Statistics.

labor force will grow 0.6 percent annually from 2010 to 2020. Men in the labor force numbered 69.0 million in 1990, 76.3 million in 2000, and nearly 82.0 million in 2010 and are projected to be 87.1 million in 2020.

*Women.* Women in the labor force had 1.6 percent annual growth over the 1990–2000 timeframe and 0.8 percent during the 2000–2010 period. BLS projects that the annual growth of the labor force of women will remain at about 0.7 percent in the next decade. The women’s labor force was 56.8 million in 1990, 66.3 million in 2000, and 71.9 million in 2010, and it is projected to grow to 77.2 million in 2020.

Women’s labor force growth was considerably greater than men’s over the 1990–2000 timeframe, whether measured by number of persons or rate of change. Then, from 2000 to 2010, the women’s labor force grew by only 0.1 percent more than the men’s, and this growth rate is projected to continue over the 2010–2020 period. However, the number of men in the labor force has always been greater than the number of women, a situation that is expected to remain the same in the next decade.

## Labor force by age

*Youths 16 to 24 years.* The youth labor force is broken down into two groups: 16-to-19-year-olds and 20-to-24-year-olds. An increase in school attendance of youths, including attending summer school, is the main reason the youth labor force has been declining. Also, this age group has been affected by two recessions that have occurred since 2000, resulting in reduced job opportunities and increased competition for those jobs which were available.<sup>15</sup> In the current economic situation, these difficulties are likely to persist for youths, especially teens, as they face increased competition from other age groups for the entry-level jobs they normally would fill.<sup>16</sup>

The youth labor force, nearly 22.5 million in 1990, did not experience any growth over the next 10 years, and their number was roughly the same in 2000. In 2010, the youth labor force stood at 20.9 million, a decline of 1.6 million over a decade. BLS projects that the number of 16-to-24-year-olds in the labor force will be 18.3 million in 2020. The group’s share of the labor force was 17.9 percent in 1990, decreased to 15.8 percent in 2000, and dropped further to 13.6 percent in 2010. BLS projects that the share will fall yet further, to 11.2 percent in 2020.

*Prime-age workers 25 to 54 years.* Prime-age workers have the strongest ties to the labor market. Their labor

force numbered 101.4 million in 2000 and 102.9 million in 2010, an increase of 1.5 million during that timeframe. BLS projects that the prime-age workforce will reach 104.6 million in 2020. This group, which made up 71.1 percent of the total labor force in 2000, saw its share decrease to 66.9 percent in 2010. BLS expects the group’s share to fall to approximately 63.7 percent of the total labor force in 2020.

*Workers 55 years and older.* In contrast to the declining trend of the youth labor force, the 55-years-and-older age group grew from 15.0 million in 1990 to 18.7 million in 2000. In 2010, their number climbed to 30.0 million, 9.1 million more than the labor force of 16-to-24-year-olds. The group’s share of the total labor force also increased, from 11.9 percent in 1990, to 13.1 percent in 2000, to 19.5 percent in 2010. The 55-years-and-older age group is projected to increase to 41.4 million in 2020, and their share is expected to reach 25.2 percent that year. Within the group, the number of 55-to-64-year-olds is expected to increase from 23.3 million in 2010 to 29.3 million in 2020. Concomitantly, their share of the total labor force will grow from 15.1 percent to 17.8 percent over the same timespan. The shift in the composition of the labor force from the younger to the older age groups is expected to continue throughout that same decade and beyond.

*Projected labor force by race and ethnicity.* Reflecting the higher rates of diversity in the population, the diversity of the labor force also has increased in the past several decades. Over the next decade, the workforce will become even more racially and ethnically diverse. The share of minorities in the labor force will expand more than ever before, because immigration is the main engine of population growth and because Hispanics and Asians have high labor force participation rates. BLS projects that, by 2020, Hispanics (18.6 percent), Blacks (12.0 percent), Asians (5.7 percent), and all those belonging to the “all other groups” category (2.9 percent) will make up nearly 40 percent of the civilian labor force.

*White labor force.* BLS projects that, during the next decade, the White labor force will have an annual growth rate of 0.4 percent, much slower than that of the other racial groups. More than 80 percent of Hispanics are counted as White, so the group will remain the largest in 2020. However, the group’s share of the total, even including White Hispanics, has been on a declining trend for the past couple of decades and even before that. Whites accounted for 85.4 percent of the labor force in 1990, 83.1

percent in 2000, and 81.3 percent in 2010, with a further decline expected, to 79.4 percent in 2020. The White population has lower fertility rates compared with other racial and ethnic groups, plus Whites immigrate to the United States at lower numbers and rates than other groups do. The labor force of Whites is expected to continue to have a slow rate of growth from 2010 to 2020.

*Black labor force.* During the 2010–2020 timeframe, the Black labor force is projected to grow steadily at an annual rate of 1.0 percent. However, its growth is expected to be slower than that of the Hispanic group and that of the Asian group. Blacks accounted for 10.9 percent of the labor force in 1990 and 11.6 percent in 2010; they are expected to increase their share to 12.0 percent in 2020. The increase in the share of Blacks in the total labor force comes mainly from higher birthrates, a steady stream of immigrants to the country, and the very high labor force participation rates of Black women.

*Asian labor force.* Although its numbers and shares start from much lower levels, the Asian labor force is projected to increase substantially over the next decade. Asians accounted for 4.4 percent of the labor force in 2000 and 4.7 percent in 2010 and are projected to increase their share to 5.7 percent in 2020. The continued immigration of this group to the United States, coupled with the group's high participation rates, contributes to its increasing share of the labor force. The Asian labor force totaled 7.2 million in 2010, and BLS projects this number to increase to 9.4 million in 2020.

*All other groups.* The “all other groups” category comprises three distinct racial or ethnic groups: (1) those who are of multiple racial origins, (2) American Indians and Alaska Natives, and (3) Native Hawaiian and other Pacific Islanders. These groups are projected to grow from 3.7 million in 2010 to 4.7 million in 2020. Together, they make up one of the fastest growing groups in the U.S. labor force. Over the 2010–2020 timeframe, they are projected to grow at an annual rate of 2.5 percent, outpaced only by Hispanics, at 3.0 percent.

*Hispanic labor force.* Hispanics may be of any race. As the Hispanic population continues to expand at faster rates, so does the group's labor force. A combination of rapid population growth (from high birth and immigration rates) and extremely high participation rates has caused a surge in this group's labor force growth. The Hispanic labor force was 10.7 million in 1990, 16.7 million in 2000,

and 22.7 million in 2010. BLS projects that the Hispanic labor force will reach 30.5 million in 2020 and the Hispanic share in the total labor force will increase considerably over the next decade. In 2000, Hispanics composed 11.7 percent of the labor force, a share that increased to 14.8 percent in 2010. BLS expects that Hispanics will make up 18.6 percent of the labor force in 2020.

*Non-Hispanic labor force.* As the share of Hispanics has increased in both the population and the labor force, the share of non-Hispanics has decreased with each decade. Non-Hispanics held a 91.5-percent share of the labor force in 1990 and 85.2 percent in 2010. BLS anticipates that the non-Hispanic share will fall even further, to 81.4 percent in 2020.

*White non-Hispanic labor force.* The White non-Hispanic labor force is projected to decline by 0.2 percent annually over the 2010–2020 timeframe. The decrease in the number of White non-Hispanics in the labor force is accompanied by faster growth of other racial and ethnic groups in the U.S. workforce. The share of the White non-Hispanic labor force decreased from 77.7 percent in 1990 to 72.0 percent in 2000 and to 67.5 percent in 2010. BLS projects that this group will compose 62.3 percent of the labor force in 2020. The fall in the White non-Hispanic share of the total labor force can be attributed to the group's lower fertility and immigration rates compared with those of other racial and ethnic groups. In addition, the rapid aging and retirement of White non-Hispanic men in past decades has contributed to the decelerating share of White non-Hispanics in the labor force.

## Dynamic changes in the labor force

The labor force is projected to increase by 10.5 million during 2010–2020. This growth projection is based on the dynamic changes that underlie the movement of workers into and out of the labor force. (See table 5.) From 2010 through 2020, changes in the workforce are projected to emerge from three dynamic groups:

- *Entrants:* those who were not in the labor force in 2010, but who will enter during the 2010–2020 period and will continue to be part of the labor force in 2020.
- *Leavers:* those who were in the labor force in 2010, but who will leave during the 2010–2020 period and will not be in the labor force of 2020.



**Table 5. Civilian labor force, entrant and leavers, 2000, 2010, and projected 2020**

[Numbers in thousands]

Group	2000	2000–2010			2010	2010–2020			2020
		Entrants	Leavers	Stayers		Entrants	Leavers	Stayers	
<b>Number, 16 years and older</b>									
Total	142,583	32,963	21,657	120,926	153,889	35,800	25,329	128,560	164,360
Men	76,280	17,814	12,109	64,171	81,985	19,452	14,309	67,676	87,128
Women	66,303	15,149	9,548	56,755	71,904	16,348	11,020	60,884	77,232
White	118,545	25,221	18,682	99,863	125,084	30,081	24,553	100,531	130,516
Men	64,466	13,871	10,609	53,857	67,728	16,616	13,114	54,614	70,379
Women	54,079	11,350	8,073	46,006	57,356	13,465	11,439	45,917	60,137
Black	16,397	4,353	2,888	13,509	17,862	4,834	3,022	14,840	19,676
Men	7,702	2,107	1,394	6,308	8,415	2,468	1,491	6,924	9,393
Women	8,695	2,246	1,494	7,201	9,447	2,366	1,531	7,916	10,283
Asian	6,270	1,786	808	5,462	7,248	3,005	823	6,425	9,430
Men	3,362	934	403	2,959	3,893	1,521	446	3,447	4,968
Women	2,908	852	405	2,503	3,355	1,484	377	2,978	4,462
All other groups <sup>1</sup>	1,371	–	–	–	3,694	–	–	–	4,738
Men	750	–	–	–	1,949	–	–	–	2,388
Women	621	–	–	–	1,746	–	–	–	2,350
Hispanic origin	16,689	7,453	1,194	15,496	22,748	9,710	1,966	20,783	30,493
Men	9,923	4,432	644	9,279	13,511	5,553	1,205	12,306	17,859
Women	6,767	3,021	550	6,217	9,238	4,157	761	8,477	12,634
Other than Hispanic origin	125,894	25,510	20,463	105,430	131,141	26,090	23,363	107,778	133,867
Men	66,357	13,382	11,465	54,892	68,474	13,899	13,104	55,370	69,269
Women	59,536	12,128	8,998	50,538	62,666	12,191	10,259	52,407	64,598
White Non-Hispanic	102,729	18,929	17,711	85,018	103,947	18,099	19,676	84,271	102,371
Men	55,040	10,084	10,008	45,032	55,116	9,795	11,044	44,072	53,867
Women	47,689	8,845	7,703	39,986	48,831	8,304	8,632	40,199	48,504
<b>Share (percent), 16 years and older</b>									
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Men	53.5	54.0	55.9	53.1	53.3	54.3	56.5	52.6	53.0
Women	46.5	46.0	44.1	46.9	46.7	45.7	43.5	47.4	47.0
White	83.1	76.5	86.3	82.6	81.3	84.0	96.9	78.2	79.4
Men	45.2	42.1	49.0	44.5	44.0	46.4	51.8	42.5	42.8
Women	37.9	34.4	37.3	38.0	37.3	37.6	45.2	35.7	36.6
Black	11.5	13.2	13.3	11.2	11.6	13.5	11.9	11.5	12.0
Men	5.4	6.4	6.4	5.2	5.5	6.9	5.9	5.4	5.7
Women	6.1	6.8	6.9	6.0	6.1	6.6	6.0	6.2	6.3
Asian <sup>1</sup>	4.4	5.4	3.7	4.5	4.7	8.4	3.2	5.0	5.7
Men	2.4	2.8	1.9	2.4	2.5	4.2	1.8	2.7	3.0
Women	2.0	2.6	1.9	2.1	2.2	4.1	1.5	2.3	2.7
All other groups	–	–	–	–	2.4	–	–	–	2.9
Men	–	–	–	–	1.3	–	–	–	1.5
Women	–	–	–	–	1.1	–	–	–	1.4
Hispanic origin	11.7	22.6	5.5	12.8	14.8	27.1	7.8	16.2	18.6
Men	7	13.4	3	7.7	8.8	15.5	4.8	9.6	10.9
Women	4.7	9.2	2.5	5.1	6	11.6	3	6.6	7.7
Other than Hispanic origin	88.3	77.4	94.5	87.2	85.2	72.9	92.2	83.8	81.4
Men	46.5	40.6	52.9	45.4	44.5	38.8	51.7	43.1	42.1
Women	41.8	36.8	41.5	41.8	40.7	34.1	40.5	40.8	39.3
White Non-Hispanic	72	57.4	81.8	70.3	67.5	50.6	77.7	65.5	62.3
Men	38.6	30.6	46.2	37.2	35.8	27.4	43.6	34.3	32.8
Women	33.4	26.8	35.6	33.1	31.7	23.2	34.1	31.3	29.5

<sup>1</sup> The "all other groups" category includes (1) those classified as being of multiple racial origin and (2) the racial categories of (2a) American Indian and Alaska Native and (2b) Native Hawaiian and Other Pacific Islanders.

NOTE: Dash indicates no data collected for category. Details may not sum to totals because of rounding.

SOURCE: U.S. Bureau of Labor Statistics.

- *Stayers*: those who were in the labor force in 2010 and who will remain in it through 2020.<sup>17</sup>

To the extent that the demographic composition of labor force entrants between 2010 and 2020 is different from the composition of those now in the labor force, the 2020 labor force will be different from today's labor force. During 2010–2020, the labor force will be affected by the demographic composition of those leaving, those entering, and those staying in the labor force.

BLS projects that 35.8 million workers will enter the labor force, and 25.3 million will leave, over the 2010–2020 period. These figures compare with nearly 33 million entrants and 21.7 million leavers over the 2000–2010 period. Thus, the number of entrants in the labor force will be about 2.8 million more during 2010–2020 than in the previous decade. However, over 3.6 million more people will be leaving the labor force, mainly as a result of aging and retirement. In a continuation of the trend of the previous decade, the entrants are projected to be mostly men: 19.5 million, compared with 16.3 million women, during the 2010–2020 timeframe.

Over the 2010–2020 period, more men than women are projected to leave the labor force. Men—especially White non-Hispanic men—in the labor force are much older than women and will be exiting the workforce in greater numbers. BLS projects that 14.3 million men will leave the labor force by 2020, resulting in a labor force of 87.1 million men that year. BLS also projects that 11.0 million women will leave the labor force by 2020. Because less than half (43.5 percent) of the leavers are projected to be women, the share of women is expected to increase to 47.0 percent in 2020.

*Racial and ethnic origin.* Over the 2010–2020 timeframe, of the 35.8 million entrants to the labor force, the largest number, slightly more than 18 million, is projected to be White non-Hispanics. However, the White non-Hispanic share of the entrants (50.6 percent) is much smaller than the group's share of the total labor force (62.3 percent), reflecting White non-Hispanics' lower population growth as a result of lower birthrates and very little migration into the United States. This shift will result in relatively fewer labor force entrants (27.4 percent) and relatively more labor force leavers (43.6 percent) among the aging White non-Hispanic male labor force. During the 2010–2020 period, 19.7 million White non-Hispanics are expected to leave the workforce, the majority of whom (about 11.0 million) will be men.

Blacks are projected to add nearly 2.0 million workers

to the labor force between 2010 and 2020. During that period, Blacks are expected to account for 13.5 percent of all new entrants, compared with the 13.2 percent they contributed during the 2000–2010 period. Higher-than-average birthrates, combined with continued immigration, has resulted in an increase in the growth rate of the Black population. BLS projects that the Black labor force will grow slightly faster than the overall labor force during 2010–2020.

In 2000, there were 16.7 million Hispanics in the labor force. Over the 2000–2010 period, 7.5 million Hispanics entered the labor force, and about 1.2 million left. By 2010, the Hispanic labor force numbered 22.7 million. BLS projects that 9.7 million Hispanics will be entering the labor force over the 2010–2020 timeframe and nearly 2.0 million will be leaving, resulting in an increase of nearly 7.8 million in the Hispanic labor force. The Hispanic share of the labor force is expected to increase more than that of any other demographic group, because of overall population growth—from more births and increased immigration—and because of considerably higher labor force participation rates.

Currently, Asians are one of the least populous racial groups in the labor force. BLS projects that about 3.0 million Asians will enter the labor force during the 2010–2020 period and about 0.8 million will leave. With more entrants and fewer leavers, the share of Asians in the 2020 labor force is expected to be 5.7 percent. Increases in the number of Asians in the workforce reflect their continued high immigration and very high participation rates.

*Median age.* The median age of the labor force summarizes the age structure of the labor force and is defined as the age that splits the population into two equal parts, with 50 percent younger than the median age and 50 percent older. (See table 6.)

As the baby-boom generation entered the workforce, the median age of the labor force decreased steadily until it bottomed at 34.6 years in 1980, when the baby boomers were between 16 and 34 years. Since then, decreasing fertility rates, increasing life expectancies, and the aging of the baby boomers have caused the population and the labor force to age. The median age of the labor force was 36.4 years in 1990 and 39.3 years in 2000. Within a decade, in 2010, the median age of the U.S. labor force increased to 41.7 years. BLS projects that the median age of the labor force will increase to 42.8 years in 2020, at which point the baby boomers will be between 56 and 74 years old.

The median age of the women's labor force was lower

**Table 6. Median age of the labor force, by gender, race, and ethnicity, 1980, 1990, 2000, 2010, and projected 2020**

Group	1980	1990	2000	2010	2020
Total	34.6	36.4	39.3	41.7	42.8
Gender:					
Men	35.1	36.5	39.2	41.5	42.4
Women	33.9	36.2	39.3	42.0	43.3
Race:					
White	34.8	36.6	39.6	42.3	43.3
Black	33.3	34.8	37.4	39.3	40.4
Asian	34.1	35.8	37.9	41.2	44.0
Ethnicity:					
Hispanic origin	32.0	31.2	33.7	36.9	38.7
White non-Hispanic	35.2	37.1	40.5	43.6	44.8

SOURCE: U.S. Bureau of Labor Statistics.

than that of the men's until 2000, when the two median ages were 39.3 years and 39.2 years, respectively. In 2010, the median age of women in the labor force rose to 42.0 years while that of men increased to a lesser 41.5 years. BLS projects a significant increase in the median age of the women's labor force to 43.3 years in 2020 while, again, that of the men's labor force is expected to rise to a lesser 42.4 years.

Among the different racial and ethnic groups, the Hispanic labor force is the youngest. The median age of Hispanics in the labor force was 33.7 years in 2000, compared with 39.3 years for the overall labor force. Thus, the Hispanic labor force was about 5.6 years younger than the total labor force in 2000. The median age of the Hispanic labor force increased to 36.9 years in 2010 and is expected to increase to 38.7 years in 2020, still much younger than the median age of the labor force as a whole. Hispanics will remain the youngest of all racial and ethnic groups in the population because Hispanic immigrants are mostly in the younger age groups and their immigration to the United States has contributed substantially to an increase in the level and composition of those age groups. The relatively high fertility rates of Hispanics will keep their population and labor force younger than other groups' population and labor force into the foreseeable future.

The median age of the Black labor force was 37.4 years in 2000. The median age increased to 39.3 years in 2010 and is projected to rise to 40.4 years in 2020. The median age of the Asian labor force also has been increasing steadily. It stood at 34.1 years in 1980, increased to 35.8 years in 1990, and increased again, to 37.9 years in 2000.

In 2010 the Asian median labor force age rose to 41.2 years, and it is projected to increase further, to 44.0 years in just a decade.

Until 2010, the White labor force was much older than the rest of the labor force. The median age of the White labor force was 36.6 years in 1990, 39.6 years in 2000, and 42.3 years in 2010; it is projected to reach 43.3 years in 2020. On the one hand, because most Hispanics are classified as White, the younger median age of the Hispanic labor force has had the effect of lowering the White median labor force age. On the other hand, the White non-Hispanic labor force is the oldest group in the workforce. In 1990, the median age of this group was 37.1 years. A decade later, the group's median age increased by 3.4 years, to 40.5 years. Then, over the 2000–2010 time-frame, the median age of the White non-Hispanic labor force increased by another 3.1 years, to 43.6 years. BLS expects that White non-Hispanics will see their median labor force age rise to 44.8 years in 2020.

*Economic dependency ratio.* The economic dependency ratio is measured by estimating the number of persons in the total population (including all Armed Forces personnel overseas and children) who are *not* in the labor force per hundred of those who are. In 2000, for every 100 persons in the labor force, 94 were not working. (See table 7.) Of those not in the labor force, 44 were children, 28 were in the 16-to-64-years age group, and 22 were 65 years and older.

Historically, the economic dependency ratio was highest in 1975, at 126.<sup>18</sup> In 1980 the ratio was 108.9, and in 1990 it fell to 98.3. Most of the 10.6-percentage-point drop was attributable to the decline in the dependency rate of those under 16 years old. With the influx of the baby boomers into the workforce and a significant drop in the number of births, the economic dependency ratio has decreased considerably since the 1970s. BLS projects that the number of those not working will reach 107 per hundred workers in 2020. Economic dependency is directly related to both the number of children in the population

**Table 7. Economic dependency ratio, 1980, 1990, 2000, 2010, and projected 2020**

Group	1980	1990	2000	2010	2020
Total population	108.9	98.3	93.9	100.6	107.0
Under age 16	50.7	45.8	44.1	43.3	44.0
Ages 16 to 64	37.4	30.5	28.3	36.5	38.0
Ages 65 and older	20.8	22.1	21.6	21.8	26.0

SOURCE: U.S. Bureau of Labor Statistics.

and the number of people 65 years and older. The dependency ratio of the population under 16 years is expected to rise slightly, to 44, over the 2010–2020 decade; however, the share of the 65-years-and-older age group in the total population will increase substantially. In 1990, the older group's ratio of 22 was by far the smallest part of the total economic dependency ratio. The dependency ratio of the 65-years-and-older group is expected to increase to 26 by 2020.

### Caveats and risks regarding the projections

As was discussed earlier, the growth of the labor force in the future is the result of either

1. The projected changes in the labor force participation rates of the different age, gender, racial, and ethnic groups or
2. The projected growth in the population of the different age, gender, racial, and ethnic groups.

The BLS labor force projections point to a decrease in the growth of the labor force, to 0.7 percent in the next 10 years. However, several factors could interfere with this projected slowdown.

*An increase in the participation rate of the young.* An increase in the demand for 16-to-24-year-old workers is one way that both the overall labor force participation rate and the growth rate of the labor force might increase. However, rising school enrollment of youths during the past several decades has decreased this cohort's labor force participation rates dramatically. The increase in attendance in high school, college, and summer schools represents a structural change with a permanent impact on the labor market. Thus, on the basis of previous and current participation rate projections, it appears that the labor force participation rate of the young age groups will *not* be increasing anytime soon enough to be effective in increasing either the overall labor force participation rate or the growth rate of the labor force.

*An increase in the participation rate of women.* A second way that the overall labor force participation rate and the growth rate of the labor force might rise is through an increase in the labor force participation rate of women. However, previous and current BLS projections indicate that the labor force participation rate of women may have already reached its peak. The decline in women's participation since 2000 is another factor contributing to the

downward trend in the overall participation rate. It is unlikely that the labor force participation rate of women will again achieve the significant increases registered during the 1970–1990 timeframe; more likely, as the share of older women in the population increases, the labor force participation rate of women will edge further down and will also put downward pressure on the aggregate labor force participation rate.

*An increase in the participation rate of older workers.* Yet another way in which the labor force participation and growth rates can increase is through an increase in the participation rate of the older workforce. Indeed, such an increase began in 1996 and is still continuing. In fact, the older group is the only labor force group whose participation rate has been rising substantially. An increase in the labor force participation rate of the older workforce, multiplied by the large number of workers in this age group, has the potential to increase the growth rate, and hence the size, of the labor force significantly. The 55-years-and-older age group accounted for 13.1 percent of the labor force in 2000 and 19.5 percent in 2010. BLS expects the share of the older labor force to increase to 25.2 percent in 2020. (See table 1.)

The decision to continue work into the later years of life has been the result of several intertwined factors—such as the continually increasing life expectancy of the population—wherein a growing number of people are healthier for a longer portion of their lifespan. In addition, the elimination of mandatory retirement and the enactment of age discrimination laws have contributed to the increase in participation rates of older persons.

The continuing economic uncertainty and the impact of the financial crisis on many individuals' retirement savings and investment accounts are major factors in the continued high participation rate of the older age groups in the labor force. Other factors, such as increases in healthcare costs and a decrease in the availability of health benefits, also may have increased the participation of the older age groups in the workforce.

Finally, changes in the Social Security laws, along with an increase in the normal retirement age for certain birth cohorts and a decrease in benefits with early retirement, may have encouraged the 55-years-and-older group to increase its labor force participation. This increase will prevent the overall participation rate from dropping even further in the future.

*Immigration.* As far as population projections are concerned, different immigration scenarios result in different

growth rates for both the population and the labor force. Because immigration accounts for more than 40 percent of the growth of the U.S. population, assumptions about immigration have a direct effect on the Census Bureau's population projections and hence on the BLS labor force projections. According to the Census Bureau's population projections used in the 2010–2020 projections of the labor force, net immigration to the United States is expected to add 1.5 million persons annually to the U.S. resident population, increasing that population significantly over the next several decades. However, the Census Bureau's upcoming projections of the resident population, possibly in 2012, may change the immigration assumption from the present level, and that in turn would change assumptions about the growth of the labor force.

A recent (November 11, 2011) visit to the Census Bureau's website indicated that the United States posts 1 birth every 8 seconds, 1 death every 12 seconds, 1 (net)

international migrant every 43 seconds, and a net gain of 1 person every 16 seconds.<sup>19</sup> Changes in future immigration policies also significantly affect the growth rate of the population, which is the major factor in the growth of the labor force.

OVER THE 2010–2020 PERIOD, a combination of structural and cyclical factors will lower the labor force participation rates of the various age, gender, racial, and ethnic groups making up the workforce, in turn lowering the overall labor force participation rate. The baby-boom generation's exit from the prime-age workforce and entry into the older age groups will lower the overall labor force participation rate significantly. This change would then lower the annual growth rate of the labor force to 0.7 percent. The U.S. labor force in 2020 is projected to be 164.4 million, an increase of nearly 10.5 million over the 2010 level. □

## Notes

<sup>1</sup> Attributed to the 19th-century French philosopher Auguste Comte. The idea is that the social, cultural, and economic fabric of a nation derives in large part from its population dynamics.

<sup>2</sup> The civilian labor force consists of employed and unemployed persons actively seeking work, but does not include any Armed Forces personnel. Historical data for this series are from the Current Population Survey, conducted by the U.S. Census Bureau for the Bureau of Labor Statistics.

<sup>3</sup> The Census Bureau recommends its 2008 national population projections for data users. (See "U.S. Population Projections: 2008 National Population Projections" (U.S. Census Bureau, Aug. 14, 2008), <http://www.census.gov/population/www/projections/2008projections.html>). The 2009 national population projections are a supplemental series to the 2008 projections and lack the detailed age, gender, racial and ethnic data needed for the BLS labor force projections. All other methods and assumptions, including those relating to mortality and fertility, are the same in the 2009 projections as in the 2008 projections. The 2009 series is useful for analyzing potential outcomes of different levels of net international migration.

<sup>4</sup> See "U.S. Population Projections: Methodology Statement for the 2008 National Population Projections, United States Population Projections by Age, Sex, Race, and Hispanic Origin: July 1, 2000–2050" (U.S. Census Bureau, no date), <http://www.census.gov/population/www/projections/methodstatement08.html>.

<sup>5</sup> For more information, see "Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity" (Office of Management and Budget, Oct. 30, 1997), [http://www.whitehouse.gov/omb/fedreg\\_1997standards](http://www.whitehouse.gov/omb/fedreg_1997standards).

<sup>6</sup> In Census Bureau projections, fertility rates were calculated from National Center for Health Statistics birth data and Census Bureau estimates of the female population.

<sup>7</sup> Census Bureau mortality time series data are calculated on the basis of National Center for Health Statistics data on deaths and the Census Bureau population estimates for 1984 through 2003.

<sup>8</sup> See "Population projections: Interim Projections of the U.S. Population by Age, Sex, Race, and Hispanic Origin: Summary Methodology and Assumptions" (U.S. Census Bureau, no date), <http://www.census.gov/population/www/projections/usinterimproj/idbsummeth.html>.

<sup>9</sup> The civilian noninstitutional population does not include the Armed Forces and comprises all persons 16 years and older who are neither inmates nor in penal or mental institutions, sanitariums, or homes for the aged.

<sup>10</sup> The Armed Forces estimates are arrived at with the use of data from the Department of Defense and under assumptions about the distribution of military personnel by demographic category.

<sup>11</sup> The Current Population Survey, a monthly survey of households, is conducted by the Bureau of the Census for the Bureau of Labor Statistics. The survey provides statistics on the employment and labor force status of the civilian noninstitutional population 16 years and older and is collected from a probability sample of approximately 60,000 households.

<sup>12</sup> See the following *Monthly Labor Review* articles by Mitra Toossi: "A century of change: the U.S. labor force, 1950–2050," May 2002, pp. 15–28, <http://www.bls.gov/opub/mlr/2002/05/art2full.pdf>; and "A new look at long-term labor force projections to 2050," November 2006, pp. 19–39, <http://www.bls.gov/opub/mlr/2006/11/art3full.pdf>.

<sup>13</sup> See Abraham Mosisa and Steven Hipple, "Trends in labor force participation in the United States," *Monthly Labor Review*, October 2006, pp. 35–57, <http://www.bls.gov/opub/mlr/2006/10/art3full.pdf>.

<sup>14</sup> See Teresa L. Morisi, "The early 2000s: a period of declining teen summer employment rates," *Monthly Labor Review*, May 2010, pp. 23–35, <http://www.bls.gov/opub/mlr/2010/05/art2full.pdf>.

<sup>15</sup> *Ibid.*

<sup>16</sup> See Andrew Sum and Ishwar Khatiwada, with Sheila Palma, *The Age Twist in Employment Rates in the U.S., 2000–2004: The Steep Tilt*

*Against Young Workers in the Nation's Labor Markets*, report prepared for Jobs for America's Graduates, Alexandria, VA (Boston, Northeastern University, Center for Labor Market Studies, January 2005), <http://www.aypf.org/publications/EmploymentRatesofyoungworkers.pdf>.

<sup>17</sup> Entrants and leavers are computed by comparing the labor force numbers for birth cohorts at two points in time. If a given cohort has more labor force participants at the second point than at the first, the difference is termed the entrants. If the cohort has fewer labor force participants at the second point, the difference is the leavers. These concepts understate the numbers likely to enter and leave the labor force over the period covered by the two points in time, but are still a

valid comparison. For a further discussion of the methods, see Howard N Fullerton, Jr., "Measuring Rates of Labor Force Dynamics," *Proceedings of the Social Statistics Section of the American Statistical Association* (Alexandria, VA, American Statistical Association, 1993).

<sup>18</sup> See Howard N Fullerton, Jr., and Mitra Toossi, "Labor force projections to 2010: steady growth and changing composition," *Monthly Labor Review*, November 2001, pp. 21–38, <http://www.bls.gov/opub/mlr/2001/11/art2full.pdf>.

<sup>19</sup> See "U.S. POPClock Projection" (U.S. Census Bureau, updated monthly), <http://www.census.gov/population/www/popclockus.html>.