

Job market continued to improve in 2017 as the unemployment rate declined to a 17-year low

Most labor market measures continued to improve in 2017. The unemployment rate hit a 17-year low of 4.1 percent in the fourth quarter, and employment and the employment–population ratio rose. The labor force participation rate was little changed.

In 2017, the U.S. economy completed its eighth year of expansion following the Great Recession, and most labor market measures continued to improve as well.¹ By the end of the year, the unemployment rate had hit a 17-year low.

This article highlights several important developments in the U.S. labor market in 2017 and explores how various demographic groups fared in the job market, with breakdowns by race and ethnicity, age, and gender. Additionally, we examine recent developments in employment and unemployment for veterans, the foreign born, and people with disabilities, as well as how hurricanes in the Gulf region affected the job market. The data are from the Current Population Survey (CPS).²

The employment situation improved in 2017

The number of unemployed people fell by 989,000 from a year earlier, to 6.6 million in the fourth quarter of 2017.³ The unemployment rate—the percentage of the labor force that is unemployed—was down by 0.6 percentage point over the year, reaching 4.1 percent at the close of 2017. (See table 1 and figure 1.) This is the lowest unemployment rate since the fourth quarter of 2000. The unemployment rate decline in 2017 was twice as large as the 2016 decline.



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Table 1. Employment status of the civilian noninstitutional population 16 years and older, by age and selected characteristics, quarterly averages, seasonally adjusted, 2016–17 (levels in thousands)

Characteristic	2016	2017				Change, fourth quarter 2016 to fourth quarter 2017
	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	
Total, 16 years and older						
Civilian labor force	159,660	159,984	160,042	160,716	160,500	840
Participation rate	62.7	62.9	62.8	62.9	62.7	0.0
Employed	152,099	152,550	153,101	153,769	153,928	1,829
Employment–population ratio	59.8	60.0	60.1	60.2	60.1	0.3
Unemployed	7,561	7,433	6,941	6,947	6,572	-989
Unemployment rate	4.7	4.6	4.3	4.3	4.1	-0.6
Men, 20 years and older						
Civilian labor force	81,951	82,037	81,997	82,329	82,429	478
Participation rate	71.6	71.7	71.5	71.6	71.5	0.1
Employed	78,334	78,504	78,796	79,047	79,334	1,000
Employment–population ratio	68.4	68.6	68.7	68.8	68.9	0.5
Unemployed	3,617	3,534	3,201	3,281	3,095	-522
Unemployment rate	4.4	4.3	3.9	4.0	3.8	-0.6
Women, 20 years and older						
Civilian labor force	71,820	72,001	72,103	72,467	72,260	440
Participation rate	58.3	58.5	58.4	58.6	58.3	0.0
Employed	68,752	68,962	69,198	69,594	69,618	866
Employment–population ratio	55.8	56.0	56.1	56.3	56.2	0.4
Unemployed	3,068	3,039	2,905	2,873	2,642	-426
Unemployment rate	4.3	4.2	4.0	4.0	3.7	-0.6
Total, 16 to 19 years						
Civilian labor force	5,889	5,945	5,942	5,920	5,811	-78
Participation rate	35.2	35.5	35.5	35.3	34.7	-0.5
Employed	5,014	5,084	5,108	5,128	4,976	-38
Employment–population ratio	29.9	30.4	30.5	30.6	29.7	-0.2
Unemployed	876	861	834	792	835	-41
Unemployment rate	14.9	14.5	14.0	13.4	14.4	-0.5
White						
Civilian labor force	124,724	124,833	124,783	125,105	125,022	298
Participation rate	62.8	62.9	62.8	62.8	62.7	-0.1
Employed	119,405	119,745	120,052	120,427	120,489	1,084
Employment–population ratio	60.1	60.3	60.4	60.5	60.4	0.3
Unemployed	5,319	5,088	4,730	4,678	4,534	-785
Unemployment rate	4.3	4.1	3.8	3.7	3.6	-0.7
Black or African American						
Civilian labor force	19,848	19,993	20,054	20,149	20,154	306
Participation rate	61.9	62.3	62.3	62.4	62.2	0.3
Employed	18,247	18,406	18,544	18,676	18,721	474
Employment–population ratio	56.9	57.3	57.6	57.8	57.8	0.9
Unemployed	1,600	1,587	1,509	1,473	1,433	-167
Unemployment rate	8.1	7.9	7.5	7.3	7.1	-1.0
Asian						

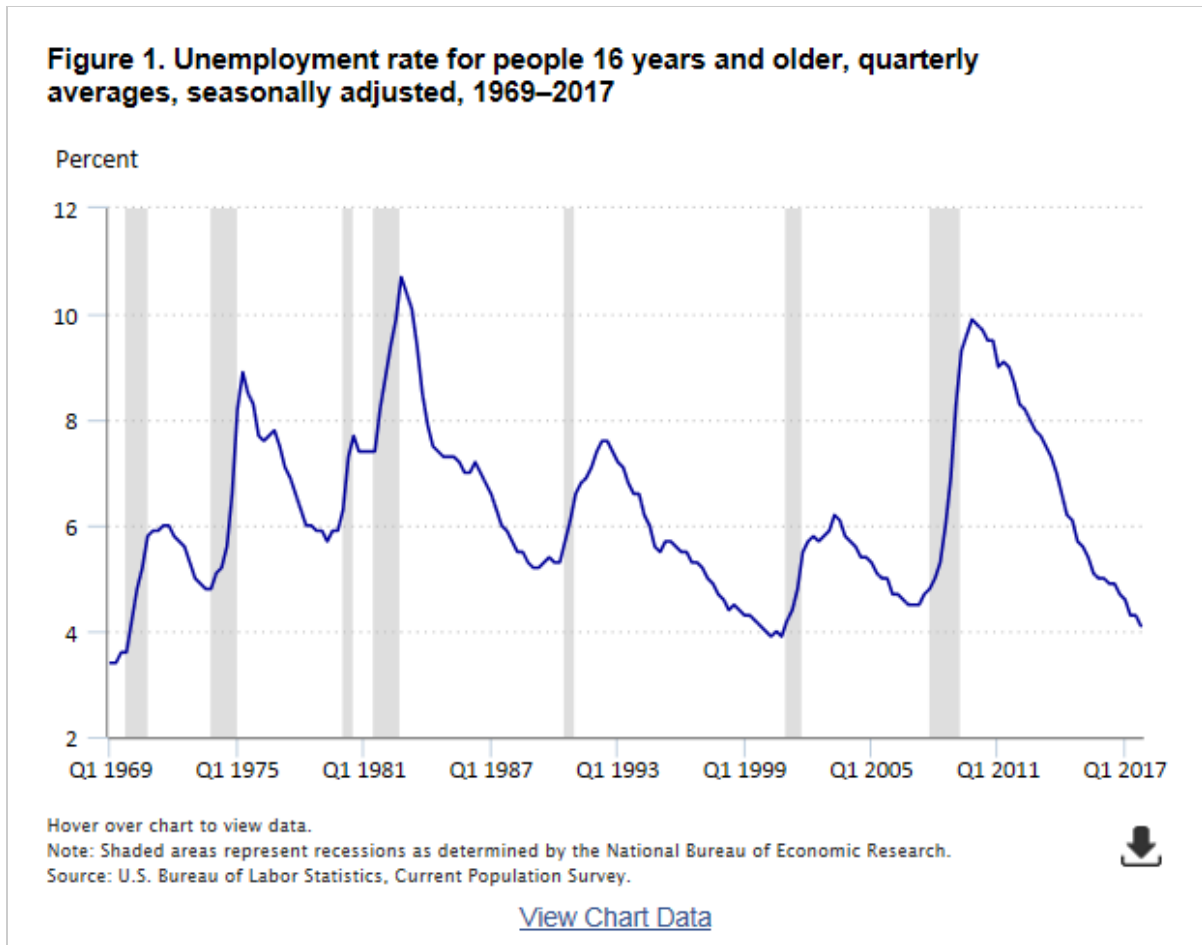
See footnotes at end of table.

Table 1. Employment status of the civilian noninstitutional population 16 years and older, by age and selected characteristics, quarterly averages, seasonally adjusted, 2016–17 (levels in thousands)

Characteristic	2016	2017				Change, fourth quarter 2016 to fourth quarter 2017
	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	
Civilian labor force	9,707	9,667	9,787	9,883	9,781	74
Participation rate	63.2	63.5	63.6	64.3	63.2	0.0
Employed	9,408	9,328	9,449	9,511	9,503	95
Employment–population ratio	61.2	61.3	61.4	61.9	61.4	0.2
Unemployed	299	339	338	372	279	-20
Unemployment rate	3.1	3.5	3.5	3.8	2.8	-0.3
Hispanic or Latino ethnicity						
Civilian labor force	27,006	27,227	27,249	27,474	27,402	396
Participation rate	65.7	66.4	66.1	66.2	65.6	-0.1
Employed	25,449	25,730	25,872	26,070	26,076	627
Employment–population ratio	61.9	62.8	62.7	62.8	62.5	0.6
Unemployed	1,557	1,497	1,377	1,404	1,326	-231
Unemployment rate	5.8	5.5	5.1	5.1	4.8	-1.0

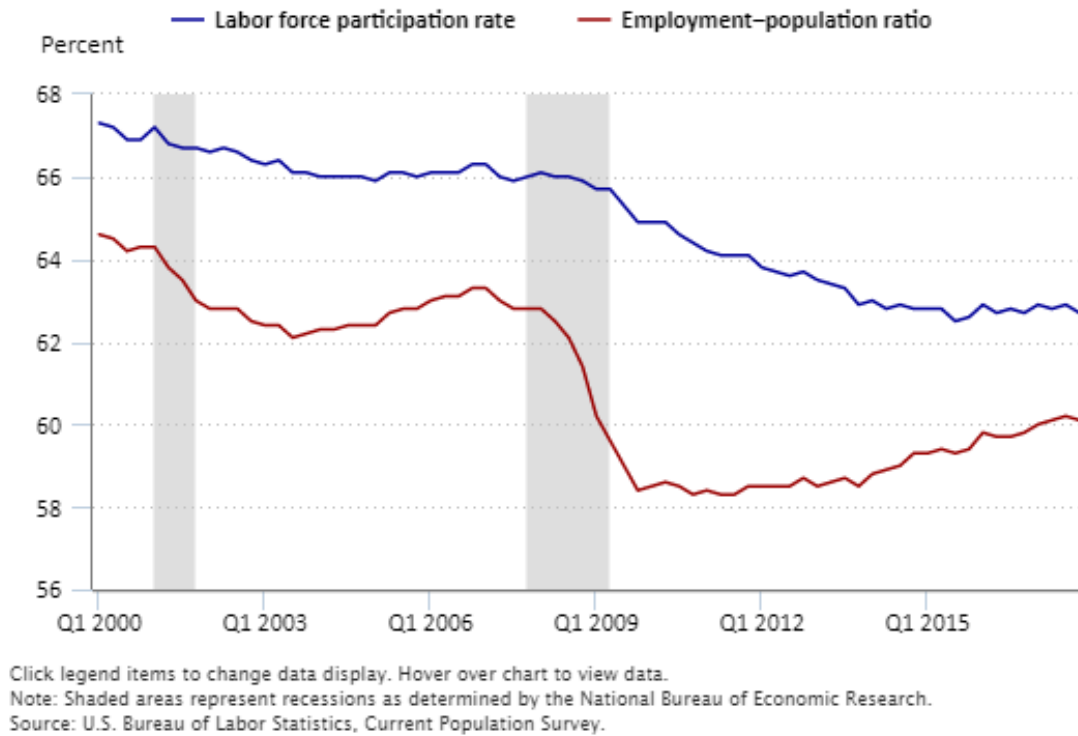
Note: Estimates for the above race groups (White, Black or African American, and Asian) do not sum to totals because data are not presented for all races. People whose ethnicity is identified as Hispanic or Latino may be of any race. Updated population controls are introduced annually with the release of January data.

Source: U.S. Bureau of Labor Statistics, Current Population Survey.



The number of employed people increased by 1.8 million over the year, to 153.9 million in the fourth quarter of 2017. This growth was smaller than the over-the-year increase of 2.5 million in 2016. As a result of the recent growth, the employment–population ratio continued to rise, reaching 60.1 percent by the fourth quarter of 2017. (See table 1 and figure 2.) The employment–population ratio has gradually trended up since 2014. In the third quarter of 2017, it reached its highest point (60.2 percent) since the recession ended. However, it remains well below levels that predated the Great Recession.

Figure 2. Labor force participation rate and employment–population ratio, quarterly averages, seasonally adjusted, 2000–2017

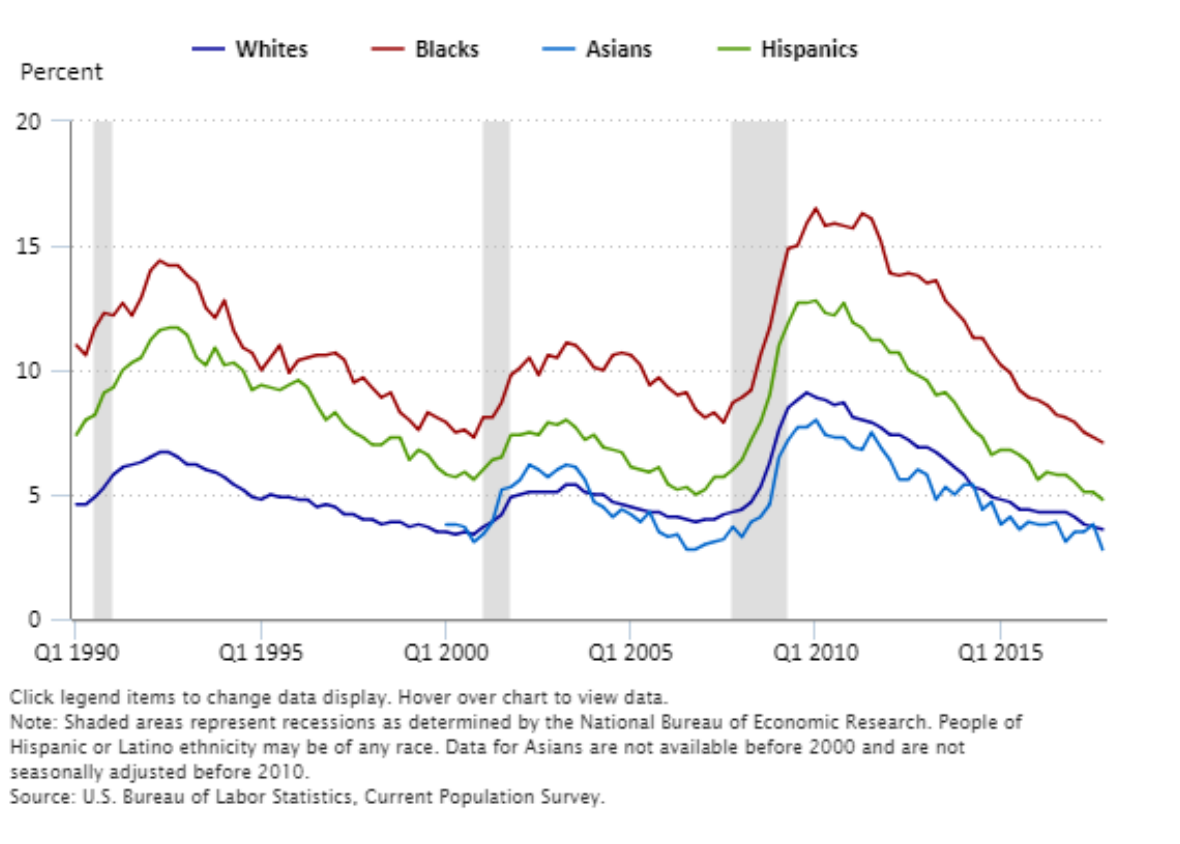


In 2017, the labor force participation rate, at 62.7 percent, was unchanged from a year earlier. The participation rate has remained around this level for the past 4 years. (See table 1 and figure 1.) In the third quarter of 2007—just before the recession—the participation rate was 65.9 percent.

Employment grew and unemployment fell for Whites, Blacks, and Hispanics; labor force participation changed little for all groups

Similar to employment growth in the overall labor market, employment growth among Whites raised the employment–population ratio for this group to 60.4 percent by the fourth quarter of 2017. A decline in the ranks of the unemployed also shrank the unemployment rate for Whites by 0.7 percentage point over the year, to 3.6 percent, a 17-year low. After declining from 2009 to 2014, the labor force participation rate for Whites changed little over the last 3 years; it was 62.7 percent at the end of 2017. (See table 1 and figure 3.)

Figure 3. Unemployment rates, by race and Hispanic or Latino ethnicity, quarterly averages, seasonally adjusted, 1990–2017



Continuing the trend of strong employment gains since 2014, the employment–population ratio for Blacks rose by 0.9 percentage point over the year. The ratio in the fourth quarter 2017—57.8 percent—was the highest since the second quarter of 2008. The unemployment rate for Blacks declined by 1.0 percentage point over the year, to 7.1 percent in the fourth quarter of 2017, which marks a series low (comparable data became available in 1972). Despite this progress, the unemployment rate for Blacks remained about twice that of Whites.⁴ After trending up over the previous 3 years, the labor force participation rate for Blacks changed little in 2017, ending the year at 62.2 percent.

For Asians, most labor market indicators in 2017 were little different from those in 2016. The employment–population ratio, at 61.4 percent in the fourth quarter, changed little in 2017 after trending up in 2016. At 2.8 percent in the fourth quarter of 2017, the unemployment rate for Asians was little different from a year earlier. The unemployment rate for this group returned to its prerecession low in 2017.⁵ The labor force participation rate for Asians, at 63.2 percent, was unchanged from a year earlier.

People of Hispanic or Latino ethnicity also experienced employment growth and declining unemployment in 2017.⁶ Beginning in 2011, the employment–population ratio for Hispanics gradually trended up through the end of 2015. However, at 62.5 percent in the fourth quarter of 2017, this ratio changed little over the past 2 years. The unemployment rate for this group, at 4.8 percent in the fourth quarter of 2017, declined to a series low (comparable

data became available in 1973). The labor force participation rate for Hispanics was relatively unchanged, at 65.6 percent in the fourth quarter of 2017, and has shown no clear trend since 2013.

Employment rose and unemployment declined for nearly all age groups in 2017, and labor force participation rates generally showed little change

Among people of prime working age—defined as 25 to 54 years old—employment increased in 2017, and their employment–population ratio continued to climb, reaching 79.0 percent in the fourth quarter. Both prime-working-age women and prime-working-age men enjoyed employment gains during the year. The employment–population ratio for prime-working-age women increased by 0.9 percentage point over the year, to 72.4 percent in the fourth quarter of 2017, the same level as when the recession began in the fourth quarter of 2007. The ratio for prime-working-age men, at 85.8 percent in the fourth quarter of 2017, was up by 0.8 percentage point over the year but was still 1.3 percentage points lower than it was at the dawn of the recession. (See table 2.)

Table 2. Employment status of the civilian noninstitutional population 16 years and older, by age and gender, quarterly averages, seasonally adjusted, 2016–17 (levels in thousands)

Characteristic	2016	2017				Change, fourth quarter 2016 to fourth quarter 2017
	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	
Total, 25 to 54 years						
Civilian labor force	102,571	102,501	102,547	102,756	102,891	320
Participation rate	81.4	81.6	81.6	81.7	81.8	0.4
Employed	98,413	98,386	98,650	98,901	99,390	977
Employment–population ratio	78.1	78.4	78.5	78.6	79.0	0.9
Unemployed	4,157	4,115	3,897	3,854	3,501	-656
Unemployment rate	4.1	4.0	3.8	3.8	3.4	-0.7
Men, 25 to 54 years						
Civilian labor force	54,843	54,807	54,688	54,781	54,953	110
Participation rate	88.5	88.7	88.5	88.5	88.7	0.2
Employed	52,669	52,646	52,715	52,754	53,158	489
Employment–population ratio	85.0	85.2	85.3	85.2	85.8	0.8
Unemployed	2,174	2,161	1,973	2,028	1,795	-379
Unemployment rate	4.0	3.9	3.6	3.7	3.3	-0.7
Women, 25 to 54 years						
Civilian labor force	47,727	47,694	47,859	47,975	47,938	211
Participation rate	74.6	74.8	75.0	75.1	75.0	0.4
Employed	45,744	45,740	45,936	46,148	46,232	488
Employment–population ratio	71.5	71.7	72.0	72.3	72.4	0.9
Unemployed	1,983	1,955	1,924	1,827	1,706	-277
Unemployment rate	4.2	4.1	4.0	3.8	3.6	-0.6
Total, 55 years and older						
Civilian labor force	35,975	36,174	36,348	36,669	36,706	731
Participation rate	39.9	40.0	40.0	40.1	39.9	0.0
Employed	34,681	34,939	35,205	35,502	35,546	865

See footnotes at end of table.

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Characteristic	2016	2017				Change, fourth quarter 2016 to fourth quarter 2017
	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	
Employment–population ratio	38.4	38.6	38.7	38.8	38.6	0.2
Unemployed	1,294	1,234	1,143	1,167	1,159	-135
Unemployment rate	3.6	3.4	3.1	3.2	3.2	-0.4
Men, 55 years and older						
Civilian labor force	19,177	19,239	19,376	19,547	19,611	434
Participation rate	46.0	46.0	46.0	46.2	46.1	0.1
Employed	18,477	18,599	18,784	18,942	18,957	480
Employment–population ratio	44.3	44.5	44.6	44.8	44.5	0.2
Unemployed	701	639	591	605	655	-46
Unemployment rate	3.7	3.3	3.1	3.1	3.3	-0.4
Women, 55 years and older						
Civilian labor force	16,797	16,928	16,985	17,115	17,097	300
Participation rate	34.6	34.8	34.7	34.8	34.6	0.0
Employed	16,204	16,340	16,420	16,560	16,590	386
Employment–population ratio	33.4	33.6	33.6	33.7	33.5	0.1
Unemployed	593	588	565	555	508	-85
Unemployment rate	3.5	3.5	3.3	3.2	3.0	-0.5
Total, 16 to 24 years						
Civilian labor force	21,145	21,312	21,154	21,256	20,922	-223
Participation rate	55.1	55.7	55.4	55.8	55.0	-0.1
Employed	19,032	19,252	19,229	19,334	19,009	-23
Employment–population ratio	49.6	50.4	50.4	50.7	49.9	0.3
Unemployed	2,113	2,061	1,924	1,922	1,913	-200
Unemployment rate	10.0	9.7	9.1	9.0	9.1	-0.9

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

Source: U.S. Bureau of Labor Statistics, Current Population Survey.

The unemployment rate for people of prime working age continued to decline in 2017, reaching 3.4 percent at the end of the year. Unemployment rates were down for both prime-working-age men and prime-working-age women over the year. At the close of 2017, the unemployment rate for people in this age group was about in line with its prerecession low (3.5 percent in the fourth quarter of 2006).

In 2017, labor force participation among people of prime working age edged up for women but not for men. After a prolonged upward trend, which saw the labor force participation rate for women peak at 77.1 percent in the third quarter of 1997, the rate for women began a modest decline, hitting a recent low of 73.4 percent in the third quarter of 2015. However, the labor force participation rate for women in this age group reached 75.0 percent in the fourth quarter of 2017. The labor force participation rate for men in this age group had generally trended down

for the past five decades, but at 88.7 percent in the fourth quarter of 2017, has shown no clear trend in the past 2 years.

Among people age 55 and older, the employment–population ratio increased steadily for both men and women from the mid-1990s through the beginning of the Great Recession. Since the end of the recession, however, this metric took different trajectories for men and women. After declining in 2009, the employment–population ratio for older men resumed its upward trend, albeit at a slower pace than before the recession. This ratio for older men, at 44.5 percent at the close of 2017, was 1.9 percentage points higher than at the close of 2009. The employment–population ratio for older women showed relatively little movement following the recession, after gaining a percentage point or more each year during most of the early 2000s. This ratio for older women settled at 33.5 percent in the fourth quarter of 2017, which was only 1.0 percentage point higher than the ratio in the fourth quarter of 2009.

The unemployment rate for workers age 55 and older declined to 3.2 percent in 2017, following little change in the previous year. The unemployment rate for men edged down by 0.4 percentage point over the year, to 3.3 percent in the fourth quarter of 2017. The unemployment rate for women, at 3.0 percent, was down by 0.5 percentage point from the previous year. By the end of 2017, the unemployment rate for older men was still 0.4 percentage point above its prerecession low of 2.9 percent in the third quarter of 2006. The rate for older women was about in line with its prerecession low of 2.9 percent in the third quarter of 2007.

As shown in the labor force participation rate table below, the rate for people 55 years and older was unchanged over the year, at 39.9 percent in the fourth quarter of 2017:

Age	Fourth quarter 2016	Fourth quarter 2017	Change
Total, 16 years and older	62.7	62.7	0.0
16 to 24 years	55.1	55.0	-0.1
16 to 19 years	35.2	34.7	-0.5
20 to 24 years	70.6	71.0	0.4
25 to 54 years	81.4	81.8	0.4
25 to 34 years	81.7	82.1	0.4
35 to 44 years	82.4	82.7	0.3
45 to 54 years	80.3	80.5	0.2
55 years and older	39.9	39.9	0.0
55 to 64 years	64.2	64.7	0.5
65 years and older	19.1	19.2	0.1

In contrast to the rate for people of prime working age, the labor force participation rate for people 55 and older rose steadily from the mid-1990s until after the Great Recession. For the last 4 years, however, the rate has hovered around 40 percent. This general trend holds for both men and women in this age group, although older women are less likely to participate in the labor force than older men (34.6 percent compared with 46.1 percent in the fourth quarter of 2017).⁷

Within this age group, labor force participation trends have differed between those ages 55 to 64 and those age 65 and older. For those ages 55 to 64, labor force participation increased sharply from the mid-1980s through the end of the recession, hitting a high of 65.4 percent in the second quarter of 2009. (These data are not seasonally adjusted.) During the expansion, this rate has hovered in a narrow range of 63.6 percent to 65.4 percent and was 64.7 percent in the fourth quarter of 2017. For people age 65 and older, labor force participation began to increase sharply in the late 1990s and continued to rise through 2017. At 19.2 percent in the fourth quarter of 2017, the

participation rate for people age 65 and older was 2.2 percentage points higher than it was at the end of the recession.

Among youth ages 16 to 24, unemployment was down in 2017. The unemployment rate for youth was 9.1 percent in the fourth quarter, after reaching a 17-year low in the third quarter of the year (9.0 percent). Within this age group, the unemployment rate for teens was considerably higher than that for young adults ages 20 to 24 (14.4 percent compared with 7.1 percent in the fourth quarter of 2017). The employment–population ratio of 16-to-24-year-olds was little changed over the year. However, at 49.9 percent in the fourth quarter of 2017, the ratio was 5.1 percentage points higher than the series low of 44.8 percent in the first quarter of 2010. Improvements in employment and unemployment among youth accrued to both young men and young women.

Labor force participation among youth had dropped through the 1990s and 2000s, with their participation rate settling around 55 percent in 2010; in the fourth quarter of 2017, the rate was 55.0 percent. While this trend in labor force participation holds true for both teenagers and young adults, young adults are about twice as likely to participate in the labor force as teenagers. In the fourth quarter of 2017, 34.7 percent of teenagers and 71.0 percent of young adults participated in the labor force.

Unemployment rates were down for all levels of education

Among people age 25 and older, unemployment rates declined in 2017 for nearly every level of education. All rates were at or near their prerecession lows. The unemployment rate for those with less than a high school diploma was down by 1.8 percentage points over the year, to 5.9 percent in the fourth quarter of 2017, which marks a series low (comparable data became available in 1992). The jobless rate for high school graduates fell by 0.9 percentage point over the year, to 4.3 percent at the close of 2017, and the rate for people with a bachelor's degree or higher, at 2.1 percent, declined by 0.4 percentage point from a year earlier. The unemployment rate for people with some college was little changed over the year, at 3.6 percent in the fourth quarter of 2017. (See table 3 and figure 4.)

Table 3. Employment status of the civilian noninstitutional population 25 years and older, by educational attainment, quarterly averages, seasonally adjusted, 2016–17 (levels in thousands)

Characteristic	2016	2017				Change, fourth quarter 2016 to fourth quarter 2017
	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	
Less than a high school diploma						
Civilian labor force	10,556	10,331	10,252	10,561	10,214	-342
Participation rate	45.0	45.6	45.2	46.5	45.4	0.4
Employed	9,747	9,591	9,593	9,863	9,615	-132
Employment–population ratio	41.6	42.4	42.3	43.4	42.7	1.1
Unemployed	809	740	659	698	599	-210
Unemployment rate	7.7	7.2	6.4	6.6	5.9	-1.8
High school graduate, no college						
Civilian labor force	35,825	35,824	35,990	35,822	35,838	13

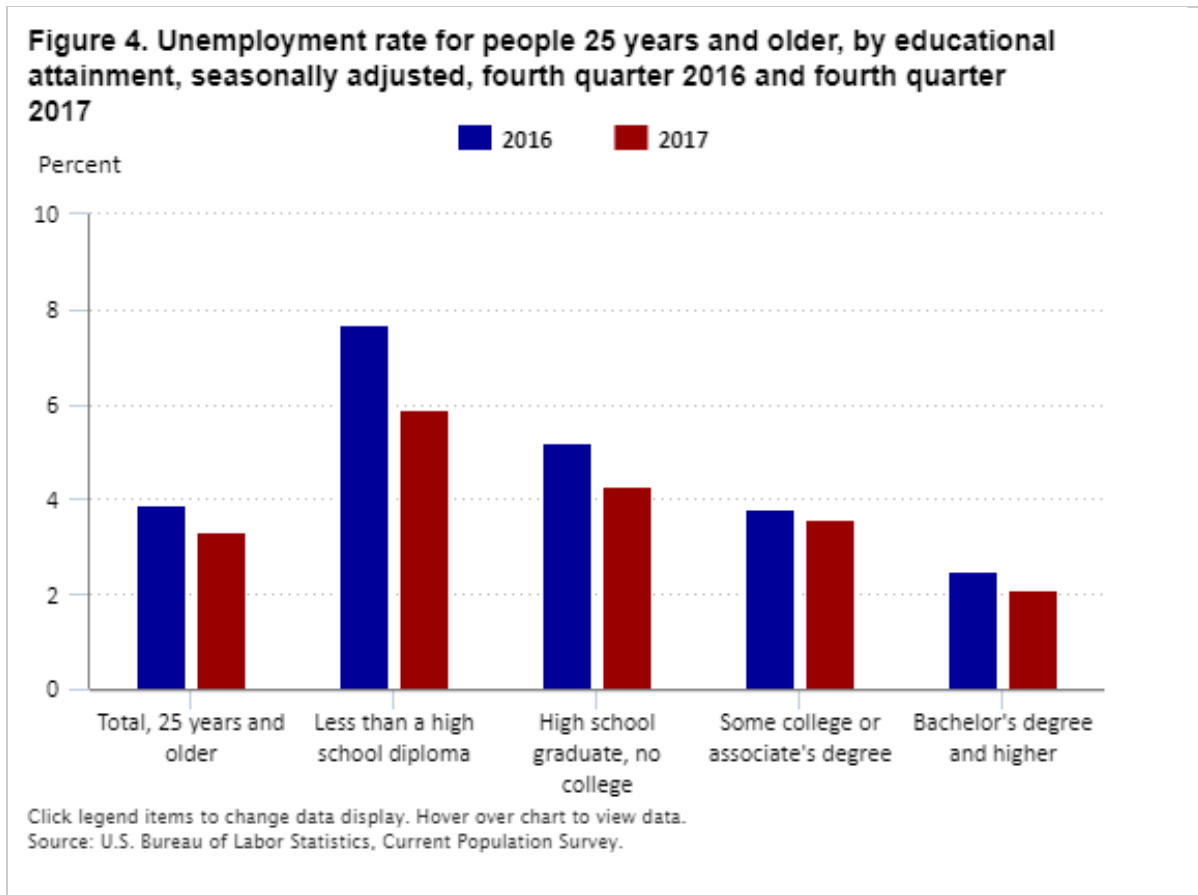
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Table 3. Employment status of the civilian noninstitutional population 25 years and older, by educational attainment, quarterly averages, seasonally adjusted, 2016–17 (levels in thousands)

Characteristic	2016	2017				Change, fourth quarter 2016 to fourth quarter 2017
	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter	
Participation rate	57.8	57.9	57.8	57.6	57.4	-0.4
Employed	33,980	34,026	34,323	34,176	34,312	332
Employment–population ratio	54.8	55.0	55.1	54.9	55.0	0.2
Unemployed	1,846	1,798	1,667	1,646	1,526	-320
Unemployment rate	5.2	5.0	4.6	4.6	4.3	-0.9
Some college or associate's degree						
Civilian labor force	38,059	37,895	37,612	37,402	37,874	-185
Participation rate	66.1	65.9	65.7	65.6	66.1	0.0
Employed	36,597	36,441	36,172	36,019	36,500	-97
Employment–population ratio	63.6	63.4	63.2	63.2	63.7	0.1
Unemployed	1,462	1,454	1,440	1,383	1,374	-88
Unemployment rate	3.8	3.8	3.8	3.7	3.6	-0.2
Bachelor's degree and higher						
Civilian labor force	54,078	54,640	55,055	55,620	55,655	1,577
Participation rate	73.9	73.8	74.0	73.9	73.6	-0.3
Employed	52,745	53,304	53,753	54,328	54,492	1,747
Employment–population ratio	72.1	72.0	72.2	72.2	72.1	0.0
Unemployed	1,333	1,336	1,302	1,292	1,162	-171
Unemployment rate	2.5	2.4	2.4	2.3	2.1	-0.4

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

Source: U.S. Bureau of Labor Statistics, Current Population Survey.



Following a downward trend beginning in the 1990s, participation rates for high school graduates, people with some college, and those with college degrees all showed little or no net change from the fourth quarter of 2016 to the fourth quarter of 2017. The rate for those with less than a high school diploma, however, did not show the same trend. Their participation rate had risen through much of the 1990s through the mid-2000s. Participation among those with less than a high school diploma gradually declined in the aftermath of the recession, hitting a recent low in 2014. Since then, their participation rate has generally trended up, rising sporadically, to 45.4 percent in the fourth quarter of 2017. This growth likely reflects the increase in participation among older people and the older age profile of people with less than a high school diploma. Among people with less than a high school diploma, 3 in 10 were age 65 or older in 2017, compared with just over 2 in 10 of those with all other levels of education.

The labor market also improved for veterans, the foreign born, and people with disabilities

Unemployment rates declined for both veterans and nonveterans. Of the 19.8 million veterans in the civilian noninstitutional population in the fourth quarter of 2017, the largest share—about 2 in 5—served during World War II, the Korean War, and the Vietnam era (7.9 million). Another 4.1 million served during Gulf War era II, 3.1 million during Gulf War era I, and 4.6 million served on active duty outside these designated periods.⁸

The unemployment rate for veterans declined to 3.5 percent in the fourth quarter of 2017, and the rate for their nonveteran counterparts declined to 3.8 percent. (These data are not seasonally adjusted.) Among all veterans,

the unemployment rate for men declined to 3.5 percent in the fourth quarter of 2017, while the rate for women declined to 3.1 percent. For Gulf War–era II veterans, the unemployment rate for men declined to 3.8 percent, but the rate for women, at 4.4 percent, changed little from the prior year. (See table 4.)

Table 4. Employment status of people 18 years and older, by veteran status, period of service, and gender, quarterly averages, not seasonally adjusted, 2016–17 (levels in thousands)

Employment status, veteran status, and period of service	Total			Men			Women		
	Fourth quarter 2016	Fourth quarter 2017	Change, fourth quarter 2016 to fourth quarter 2017	Fourth quarter 2016	Fourth quarter 2017	Change, fourth quarter 2016 to fourth quarter 2017	Fourth quarter 2016	Fourth quarter 2017	Change, fourth quarter 2016 to fourth quarter 2017
Veterans, 18 years and older									
Civilian labor force	10,535	9,801	-734	9,264	8,644	-620	1,272	1,157	-115
Participation rate	50.7	49.6	-1.1	49.4	48.4	-1.0	62.9	60.4	-2.5
Employed	10,074	9,458	-616	8,870	8,338	-532	1,204	1,121	-83
Employment– population ratio	48.5	47.8	-0.7	47.3	46.7	-0.6	59.6	58.5	-1.1
Unemployed	461	343	-118	393	306	-87	68	36	-32
Unemployment rate	4.4	3.5	-0.9	4.2	3.5	-0.7	5.3	3.1	-2.2
Gulf War–era II veterans									
Civilian labor force	3,312	3,358	46	2,793	2,865	72	519	493	-26
Participation rate	82.8	81.1	-1.7	84.4	83.4	-1.0	75.0	69.5	-5.5
Employed	3,126	3,228	102	2,640	2,757	117	487	471	-16
Employment– population ratio	78.1	77.9	-0.2	79.8	80.3	0.5	70.3	66.4	-3.9
Unemployed	186	130	-56	153	108	-45	33	22	-11
Unemployment rate	5.6	3.9	-1.7	5.5	3.8	-1.7	6.3	4.4	-1.9
Gulf War–era I veterans									
Civilian labor force	2,641	2,430	-211	2,258	2,086	-172	383	344	-39
Participation rate	79.4	77.7	-1.7	80.4	79.1	-1.3	73.9	70.6	-3.3
Employed	2,555	2,363	-192	2,187	2,028	-159	368	335	-33
Employment– population ratio	76.8	75.6	-1.2	77.8	76.9	-0.9	70.9	68.8	-2.1
Unemployed	86	67	-19	71	58	-13	16	9	-7
Unemployment rate	3.3	2.7	-0.6	3.1	2.8	-0.3	4.1	2.5	-1.6
World War II, Korean War, and Vietnam-era veterans									
Civilian labor force	1,969	1,723	-246	1,898	1,657	-241	71	66	-5
Participation rate	23.6	21.8	-1.8	23.6	21.8	-1.8	23.9	24.2	0.3
Employed	1,887	1,662	-225	1,821	1,596	-225	65	66	1
Employment– population ratio	22.6	21.1	-1.5	22.6	20.9	-1.7	21.9	24.2	2.3
Unemployed	83	61	-22	77	61	-16	6	0	-6
Unemployment rate	4.2	3.6	-0.6	4.0	3.7	-0.3	8.5	0.0	-8.5

See footnotes at end of table.

Table 4. Employment status of people 18 years and older, by veteran status, period of service, and gender, quarterly averages, not seasonally adjusted, 2016–17 (levels in thousands)

Employment status, veteran status, and period of service	Total			Men			Women		
	Fourth quarter 2016	Fourth quarter 2017	Change, fourth quarter 2016 to fourth quarter 2017	Fourth quarter 2016	Fourth quarter 2017	Change, fourth quarter 2016 to fourth quarter 2017	Fourth quarter 2016	Fourth quarter 2017	Change, fourth quarter 2016 to fourth quarter 2017
Veterans of other service periods									
Civilian labor force	2,612	2,290	-322	2,314	2,036	-278	298	254	-44
Participation rate	51.1	49.7	-1.4	50.3	48.9	-1.4	58.3	57.1	-1.2
Employed	2,506	2,205	-301	2,222	1,957	-265	284	248	-36
Employment– population ratio	49.0	47.9	-1.1	48.3	47.0	-1.3	55.7	55.7	0.0
Unemployed	106	85	-21	93	79	-14	14	6	-8
Unemployment rate	4.1	3.7	-0.4	4.0	3.9	-0.1	4.6	2.3	-2.3
Nonveterans, 18 years and older									
Civilian labor force	146,906	148,315	1,409	74,504	75,369	865	72,402	72,945	543
Participation rate	65.4	65.4	0.0	74.7	74.6	-0.1	57.9	58.0	0.1
Employed	140,462	142,710	2,248	71,091	72,416	1,325	69,371	70,293	922
Employment– population ratio	62.5	62.9	0.4	71.3	71.6	0.3	55.5	55.9	0.4
Unemployed	6,444	5,605	-839	3,413	2,953	-460	3,031	2,652	-379
Unemployment rate	4.4	3.8	-0.6	4.6	3.9	-0.7	4.2	3.6	-0.6

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 are only counted in one period of service, their most recent wartime period. Veterans who served in both a wartime period and any other service period are classified in the wartime period. Effective with data for November 2017, estimates for veterans incorporate population controls derived from an updated Department of Veterans Affairs population model. In accordance with usual practice, BLS did not revise estimates for previous years.

Source: U.S. Bureau of Labor Statistics, Current Population Survey.

In the fourth quarter of 2017, 49.6 percent of veterans participated in the labor force, down by 1.1 percentage points from a year earlier. For nonveterans, 65.4 percent participated in the labor force in 2017. The percentage for nonveterans was unchanged from the previous year. The difference in participation rates for veterans and nonveterans reflects the age profile of veterans who served during World War II, the Korean War, and the Vietnam era. Veterans from these service periods are now all over age 60, and labor force participation tends to be lower for older people than for those of prime working age. In fact, the decline in the participation rate for all veterans was driven by a 1.8-percentage-point decline over the year in the participation rate for those who served in World War II, the Korean War, and the Vietnam era. The rate for these veterans fell to 21.8 percent in the fourth quarter of 2017. In contrast, the participation rate for Gulf War-era II veterans—who tend to be younger—was 81.1 percent at the end of 2017, little different from a year earlier.

Unemployment rates for both foreign- and native-born workers declined. At the end of 2017, the foreign born accounted for 17.0 percent of the U.S. civilian labor force age 16 and older.⁹ The unemployment rates for both foreign- and native-born individuals each declined by 0.6 percentage point over the year, to 3.7 percent and 4.0 percent, respectively, in the fourth quarter. (These data are not seasonally adjusted.) Foreign-born people continued to have a slightly higher labor force participation rate than native-born people in 2017. The labor force participation rate for the foreign born and native born, at 65.5 percent and 62.1 percent, respectively, in the fourth quarter of 2017, showed little or no change from the prior year. (See table 5.)

Table 5. Employment status of the foreign- and native-born populations by gender, quarterly averages, not seasonally adjusted, 2016–17 (levels in thousands)

Employment status and nativity	Total			Men			Women		
	Fourth quarter 2016	Fourth quarter 2017	Change, fourth quarter 2016 to fourth quarter 2017	Fourth quarter 2016	Fourth quarter 2017	Change, fourth quarter 2016 to fourth quarter 2017	Fourth quarter 2016	Fourth quarter 2017	Change, fourth quarter 2016 to fourth quarter 2017
Foreign born, 16 years and older									
Civilian labor force	27,169	27,304	135	15,629	15,661	32	11,539	11,643	104
Participation rate	65.0	65.5	0.5	77.3	77.9	0.6	53.5	53.9	0.4
Employed	26,014	26,296	282	15,023	15,164	141	10,991	11,131	140
Employment–population ratio	62.3	63.1	0.8	74.3	75.5	1.2	51.0	51.6	0.6
Unemployed	1,155	1,008	-147	606	497	-109	549	512	-37
Unemployment rate	4.3	3.7	-0.6	3.9	3.2	-0.7	4.8	4.4	-0.4
Native born, 16 years and older									
Civilian labor force	132,232	132,966	734	69,065	69,343	278	63,167	63,624	457
Participation rate	62.1	62.1	0.0	67.2	66.9	-0.3	57.4	57.5	0.1
Employed	126,159	127,706	1,547	65,676	66,405	729	60,483	61,300	817
Employment–population ratio	59.3	59.6	0.3	63.9	64.1	0.2	55.0	55.4	0.4
Unemployed	6,073	5,260	-813	3,389	2,937	-452	2,684	2,323	-361
Unemployment rate	4.6	4.0	-0.6	4.9	4.2	-0.7	4.2	3.7	-0.5

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 were not U.S. citizens. This group includes legally admitted immigrants, refugees, students, temporary workers, and undocumented immigrants. The survey data do not separately identify the number of people in these categories. The native born are people 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.

Source: U.S. Bureau of Labor Statistics, Current Population Survey.

Unemployment rates declined for both people with and people without disabilities. Although the job market remains challenging for people with disabilities, labor market indicators for this group improved for the second consecutive year. The labor force participation rate for people with disabilities increased by 0.9 percentage point over the year, to 20.9 percent in the fourth quarter of 2017, in contrast to participation trends for most other groups in 2017. (These data are not seasonally adjusted.) The employment–population ratio for this group also increased, by 1.1 percentage points over the year, to 19.2 percent. Despite this improvement in their employment–population ratio, people with disabilities were still less than one-third as likely to be employed as people with no disabilities. Although the unemployment rate for people with disabilities decreased by 1.4 percentage points over the year, to 8.2 percent in the fourth quarter of 2017, the rate was still more than twice as high as the rate for people without disabilities. (See table 6.)

Table 6. Employment status of the civilian noninstitutional population, by gender, age, and disability status, quarterly averages, not seasonally adjusted, 2016–17 (levels in thousands)

Employment status, gender, and age	People with a disability			People with no disability		
	Fourth quarter 2016	Fourth quarter 2017	Change, fourth quarter 2016 to fourth quarter 2017	Fourth quarter 2016	Fourth quarter 2017	Change, fourth quarter 2016 to fourth quarter 2017
Total, 16 years and older						
Civilian labor force	6,043	6,264	221	153,358	154,006	648
Participation rate	20.0	20.9	0.9	68.4	68.2	-0.2
Employed	5,462	5,753	291	146,711	148,248	1,537
Employment–population ratio	18.1	19.2	1.1	65.4	65.6	0.2
Unemployed	581	511	-70	6,647	5,758	-889
Unemployment rate	9.6	8.2	-1.4	4.3	3.7	-0.6
Men, 16 to 64 years						
Civilian labor force	2,645	2,771	126	76,924	76,915	-9
Participation rate	34.2	36.8	2.6	82.2	82.1	-0.1
Employed	2,379	2,522	143	73,395	73,915	520
Employment–population ratio	30.8	33.5	2.7	78.5	78.9	0.4
Unemployed	266	249	-17	3,528	3,001	-527
Unemployment rate	10.0	9.0	-1.0	4.6	3.9	-0.7
Women, 16 to 64 years						
Civilian labor force	2,308	2,332	24	68,208	68,630	422
Participation rate	28.6	30.1	1.5	70.7	70.9	0.2
Employed	2,065	2,125	60	65,374	66,135	761
Employment–population ratio	25.6	27.4	1.8	67.7	68.4	0.7
Unemployed	244	206	-38	2,834	2,495	-339
Unemployment rate	10.5	8.8	-1.7	4.2	3.6	-0.6
Total, 65 years and over						
Civilian labor force	1,089	1,162	73	8,226	8,461	235
Participation rate	7.6	7.9	0.3	24.0	23.9	-0.1
Employed	1,018	1,106	88	7,941	8,198	257
Employment–population ratio	7.1	7.5	0.4	23.2	23.1	-0.1
Unemployed	72	55	-17	285	263	-22
Unemployment rate	6.6	4.8	-1.8	3.5	3.1	-0.4

See footnotes at end of table.

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.

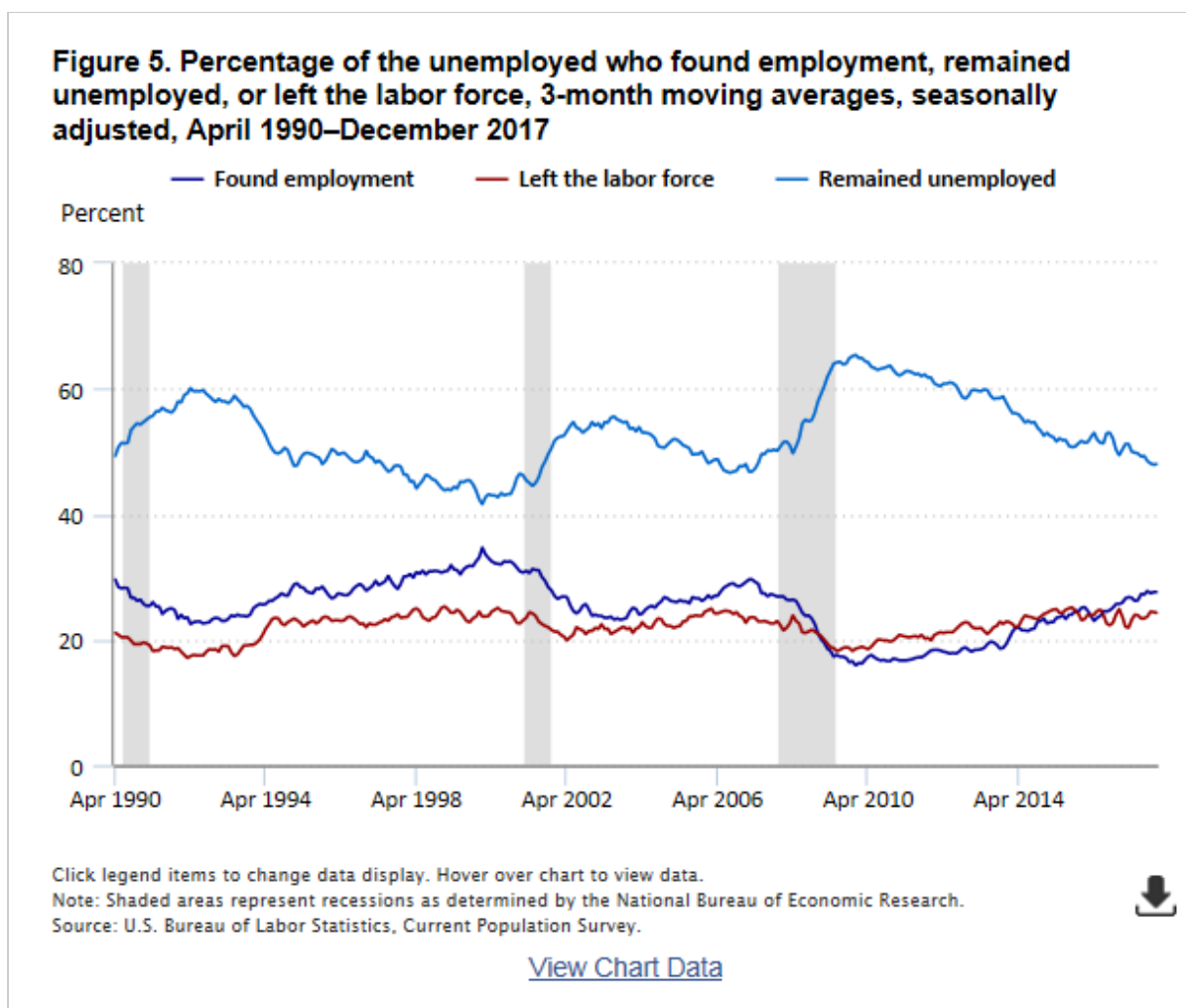
Source: U.S. Bureau of Labor Statistics, Current Population Survey.

While the unemployment rate for those with no disabilities improved, both their labor force participation rate and employment–population ratio remained relatively unchanged over the year. The unemployment rate for people without disabilities decreased by 0.6 percentage point over the year, to 3.7 percent. Their labor force participation rate was 68.2 percent, and their employment–population ratio was 65.6 percent.

Unemployment declined to a 17-year low in 2017

During the period leading up to the Great Recession, the unemployment rate was at a low of 4.5 percent for the three consecutive quarters that ended with the second quarter of 2007. Unemployment then rose sharply with the onset of the recession, reaching a high of 9.9 percent in the fourth quarter of 2009, before beginning a steady descent. At the end of 2017, 8 years into the expansion, the unemployment rate fell to 4.1 percent—a level last experienced shortly before the 2001 recession.

Changes in the unemployment rate are often analyzed with the use of data showing labor force status flows, which show the current employment status of people who were unemployed in the previous month. Each month, millions of people move between labor force statuses (for example, from unemployed to employed). The labor force status flows data measure these dynamic movements.¹⁰ In 2017, the percentage of unemployed people who remained unemployed from month to month continued its downward trend and was below 50 percent for much of the year. (These data are seasonally adjusted 3-month moving averages.) The percentage of unemployed people who found jobs in 2017 continued to inch up, reaching 27 percent for the first time since October 2007. Recently, unemployed people have been more likely to find a job than they were to leave the labor force, in contrast to earlier years of the expansion. (See figure 5.)



From job losers to first-time job hunters, the ranks of the unemployed fell for all groups

In the CPS, unemployed people are grouped according to what they were doing before they began looking for work. People are unemployed because they either (1) lost their job or completed a temporary job, (2) left their job, (3) reentered the labor force, or (4) entered the labor force for the first time. At the end of 2017, unemployment totaled 6.6 million, and all four categories declined over the year. (See table 7 and figure 6.)

Table 7. Unemployed people, by reason and duration of unemployment, quarterly averages, seasonally adjusted, 2016–17 (levels in thousands)

Reason and duration	Fourth quarter 2016	2017				Change, fourth quarter 2016 to fourth quarter 2017
		First quarter	Second quarter	Third quarter	Fourth quarter	
Reason for unemployment						
Job losers and people who completed temporary jobs	3,633	3,638	3,439	3,390	3,206	-427

See footnotes at end of table.

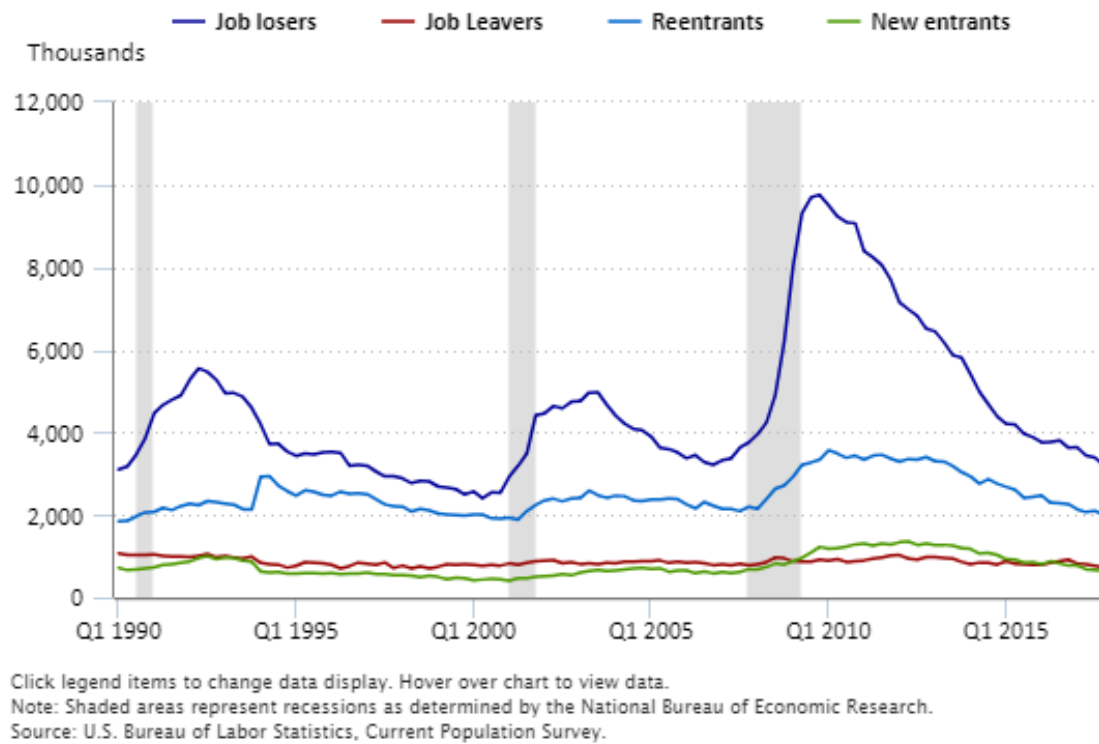
Table 7. Unemployed people, by reason and duration of unemployment, quarterly averages, seasonally adjusted, 2016–17 (levels in thousands)

Reason and duration	Fourth quarter 2016	2017				Change, fourth quarter 2016 to fourth quarter 2017
		First quarter	Second quarter	Third quarter	Fourth quarter	
On temporary layoff	964	988	890	984	909	-55
Not on temporary layoff	2,669	2,650	2,549	2,406	2,297	-372
Permanent job losers	1,901	1,943	1,772	1,725	1,621	-280
People who completed temporary jobs	768	708	778	682	676	-92
Job leavers	918	822	800	762	729	-189
Reentrants	2,261	2,137	2,066	2,097	2,010	-251
New entrants	773	779	682	671	635	-138
Percent distribution						
Job losers and people who completed temporary jobs	47.9	49.3	49.2	49.0	48.7	0.8
On temporary layoff	12.7	13.4	12.7	14.2	13.8	1.1
Not on temporary layoff	35.2	35.9	36.5	34.8	34.9	-0.3
Job leavers	12.1	11.1	11.4	11.0	11.1	-1.0
Reentrants	29.8	29.0	29.6	30.3	30.6	0.8
New entrants	10.2	10.6	9.8	9.7	9.6	-0.6
Duration of unemployment						
Less than 5 weeks	2,389	2,440	2,241	2,193	2,206	-183
5 to 14 weeks	2,188	2,099	2,013	1,960	1,944	-244
15 weeks or longer	3,040	2,864	2,720	2,759	2,470	-570
15 to 26 weeks	1,136	1,114	1,049	1,017	886	-250
27 weeks or longer	1,904	1,751	1,671	1,742	1,584	-320
Average (mean) duration in weeks	26.1	25.2	24.7	25.3	24.9	-1.2
Median duration, in weeks	10.4	10.3	10.2	10.3	9.5	-0.9
Percent distribution						
Less than 5 weeks	31.4	33.0	32.1	31.7	33.3	1.9
5 to 14 weeks	28.7	28.4	28.9	28.4	29.4	0.7
15 weeks or longer	39.9	38.7	39.0	39.9	37.3	-2.6
15 to 26 weeks	14.9	15.0	15.0	14.7	13.4	-1.5
27 weeks or longer	25.0	23.6	24.0	25.2	23.9	-1.1

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

Source: U.S. Bureau of Labor Statistics, Current Population Survey.

Figure 6. Unemployed people by reason for unemployment, seasonally adjusted, quarterly averages, 1990–2017

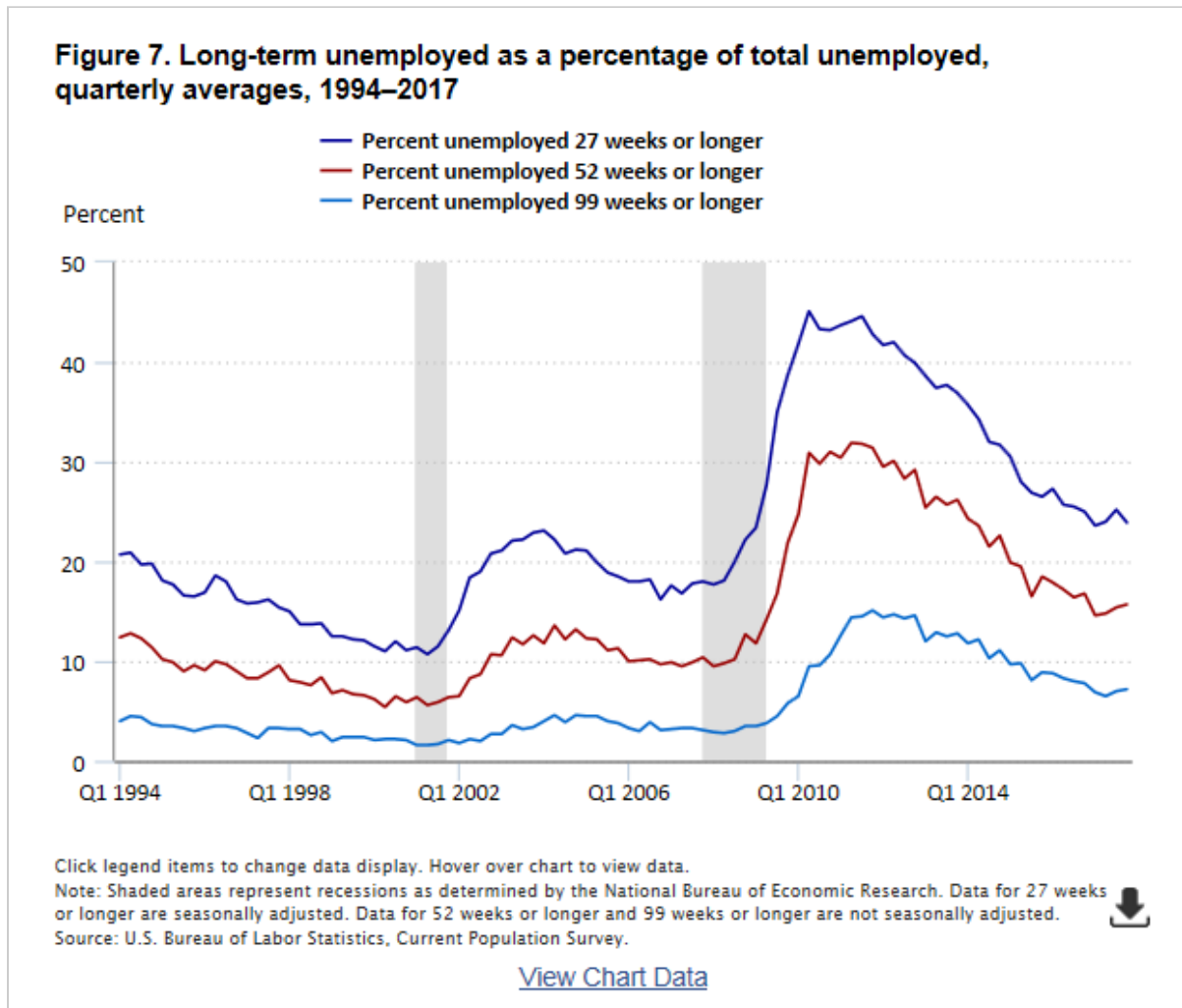


The number of unemployed people who lost their job declined by 427,000 over the year, to 3.2 million. This group accounted for nearly one-half of the unemployed. The next largest group among unemployed people were reentrants—people who had been in the labor force previously, had spent time out of the labor force, and were actively seeking work once again. People who reentered the labor force accounted for about 31 percent of the unemployed in 2017. The number of reentrants, at 2.0 million, declined by 251,000 over the year. There were 729,000 job leavers (people who voluntarily left their job) by the end of the year—189,000 fewer than a year earlier. Lastly, the number of new entrants (unemployed people looking for a job for the first time) declined by 138,000 from a year earlier, to 635,000.

Long-term unemployment remained elevated

The number of people who were long-term unemployed (those who had been looking for work for 27 weeks or longer) declined in the last quarter of 2017, yet their proportion among the unemployed remained high by historical standards.¹¹ Long-term unemployment, at about 1.6 million people in the fourth quarter of 2017, was 320,000 less than a year earlier. However, the proportion of unemployed people who were jobless for 27 weeks or longer was little changed, at 23.9 percent. This proportion, although much lower than the historical high of 45.1 percent in the second quarter of 2010, was still notably higher than the prerecession level of 17.8 percent in the third quarter of 2007. This indicates that some people are still having great difficulty finding a job despite the prolonged expansion. In the fourth quarter of 2017, about 16 percent of unemployed people were searching for work for a year or more

and about 7 percent were searching for more than 99 weeks, or almost 2 years. Both measures remain elevated 8 years after the recession ended. (These data are not seasonally adjusted.) (See table 7 and figure 7.)



Unemployment rates were down regardless of occupation

Jobless rates declined in all five major occupational categories in 2017. (These data are annual averages; the unemployed are classified by occupation according to their last job, which may or may not be similar to the job they are currently looking for.) The rate continued to be lowest in management, professional, and related occupations, declining by 0.3 percentage point from 2016, to 2.2 percent in 2017. The rate for sales and office occupations was down by 0.5 percentage point, to 4.1 percent. Production, transportation, and material moving occupations and service occupations both had an unemployment rate of 5.4 percent; rates in these occupations declined by 0.7 percentage point and 0.4 percentage point, respectively, from the previous year. The rate for natural resources, construction, and maintenance occupations declined by 0.4 percentage point, to 6.0 percent, in 2017. (See table 8.)

Table 8. Unemployment rates, by occupational group, annual averages, 2016–17

Occupational group	Total			Men			Women		
	2016	2017	Percentage-point change, 2016–17	2016	2017	Percentage-point change, 2016–17	2016	2017	Percentage-point change, 2016–17
Management, professional, and related	2.5	2.2	-0.3	2.4	2.1	-0.3	2.6	2.3	-0.3
Management, business, and financial operations	2.5	2.2	-0.3	2.3	2.0	-0.3	2.7	2.4	-0.3
Professional and related	2.5	2.3	-0.2	2.5	2.3	-0.2	2.5	2.3	-0.2
Service	5.8	5.4	-0.4	5.9	5.4	-0.5	5.7	5.4	-0.3
Health care support	4.5	4.5	0.0	4.1	4.0	-0.1	4.6	4.6	0.0
Protective service	3.7	3.3	-0.4	3.2	2.4	-0.8	5.4	6.4	1.0
Food preparation and serving related	6.8	6.4	-0.4	7.0	6.9	-0.1	6.7	6.1	-0.6
Building and grounds cleaning and maintenance	6.9	6.2	-0.7	7.1	6.5	-0.6	6.6	5.7	-0.9
Personal care and service	5.1	4.8	-0.3	4.8	4.6	-0.2	5.2	4.9	-0.3
Sales and office	4.6	4.1	-0.5	4.3	3.7	-0.6	4.8	4.4	-0.4
Sales and related	4.8	4.2	-0.6	3.8	2.9	-0.9	5.8	5.6	-0.2
Office and administrative support	4.5	4.0	-0.5	5.2	5.0	-0.2	4.2	3.6	-0.6
Natural resources, construction, and maintenance	6.4	6.0	-0.4	6.1	5.7	-0.4	11.4	10.9	-0.5
Farming, fishing, and forestry	10.4	8.7	-1.7	8.2	7.0	-1.2	17.2	13.7	-3.5
Construction and extraction	7.2	7.1	-0.1	7.1	6.9	-0.2	9.9	12.0	2.1
Installation, maintenance, and repair	4.1	3.5	-0.6	4.1	3.4	-0.7	4.3	5.0	0.7
Production, transportation, and material moving	6.1	5.4	-0.7	5.7	5.1	-0.6	7.6	6.3	-1.3
Production	5.7	4.9	-0.8	5.1	4.6	-0.5	7.2	5.5	-1.7
Transportation and material moving	6.5	5.8	-0.7	6.2	5.4	-0.8	8.0	7.5	-0.5

Source: U.S. Bureau of Labor Statistics, Current Population Survey.

Employment growth in 2017

Management, professional, and related occupations accounted for most of the employment growth

In 2017, there were 1.3 percent more employed people than in the previous year, following a 1.7-percent increase in 2016. (These data are annual averages.) Employment expanded in two of the five major occupation groups. Employment in management, professional, and related occupations rose by 1.5 million, to 60.9 million, from 2016 to 2017; employment in this occupation grew by 2.5 percent in 2017, the same as in 2016. Natural resources, construction, and maintenance occupations also experienced employment gains in 2017, increasing by 289,000 to 14.2 million; employment in this occupation grew by 2.1 percent over the year after changing little in 2016.

Employment in service occupations; sales and office occupations; and production, transportation, and material moving occupations changed little in 2017. (See table 9.)

Table 9. Employment, by occupational group and gender, annual averages, 2016–17 (in thousands)

Occupational group	Total			Men			Women		
	2016	2017	Change, 2016–17	2016	2017	Change, 2016–17	2016	2017	Change, 2016–17
Total, 16 years and over	151,436	153,337	1,901	80,568	81,402	834	70,868	71,936	1,068
Management, professional, and related	59,438	60,901	1,463	28,846	29,488	642	30,593	31,413	820
Management, business, and financial operations	24,941	25,379	438	14,019	14,207	188	10,922	11,171	249
Professional and related	34,498	35,522	1,024	14,827	15,281	454	19,671	20,241	570
Service	26,811	26,751	-60	11,625	11,621	-4	15,186	15,130	-56
Health care support	3,554	3,506	-48	438	451	13	3,116	3,055	-61
Protective service	3,117	3,113	-4	2,423	2,418	-5	694	694	0
Food preparation and serving related	8,542	8,305	-237	3,969	3,840	-129	4,573	4,465	-108
Building and grounds cleaning and maintenance	5,804	5,888	84	3,478	3,491	13	2,326	2,397	71
Personal care and service	5,795	5,939	144	1,318	1,421	103	4,477	4,518	41
Sales and office	33,539	33,566	27	13,023	12,973	-50	20,516	20,593	77
Sales and related	15,848	15,815	-33	8,088	8,045	-43	7,761	7,770	9
Office and administrative support	17,691	17,751	60	4,936	4,929	-7	12,755	12,823	68
Natural resources, construction, and maintenance	13,904	14,193	289	13,247	13,473	226	657	720	63
Farming, fishing, and forestry	1,096	1,184	88	852	907	55	244	278	34
Construction and extraction	7,929	8,031	102	7,693	7,788	95	236	243	7
Installation, maintenance, and repair	4,879	4,977	98	4,703	4,778	75	177	200	23
Production, transportation, and material moving	17,743	17,927	184	13,826	13,846	20	3,916	4,080	164
Production	8,459	8,482	23	6,073	6,031	-42	2,385	2,450	65
Transportation and material moving	9,284	9,445	161	7,753	7,815	62	1,531	1,630	99

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

Source: U.S. Bureau of Labor Statistics, Current Population Survey.

Earnings growth continued

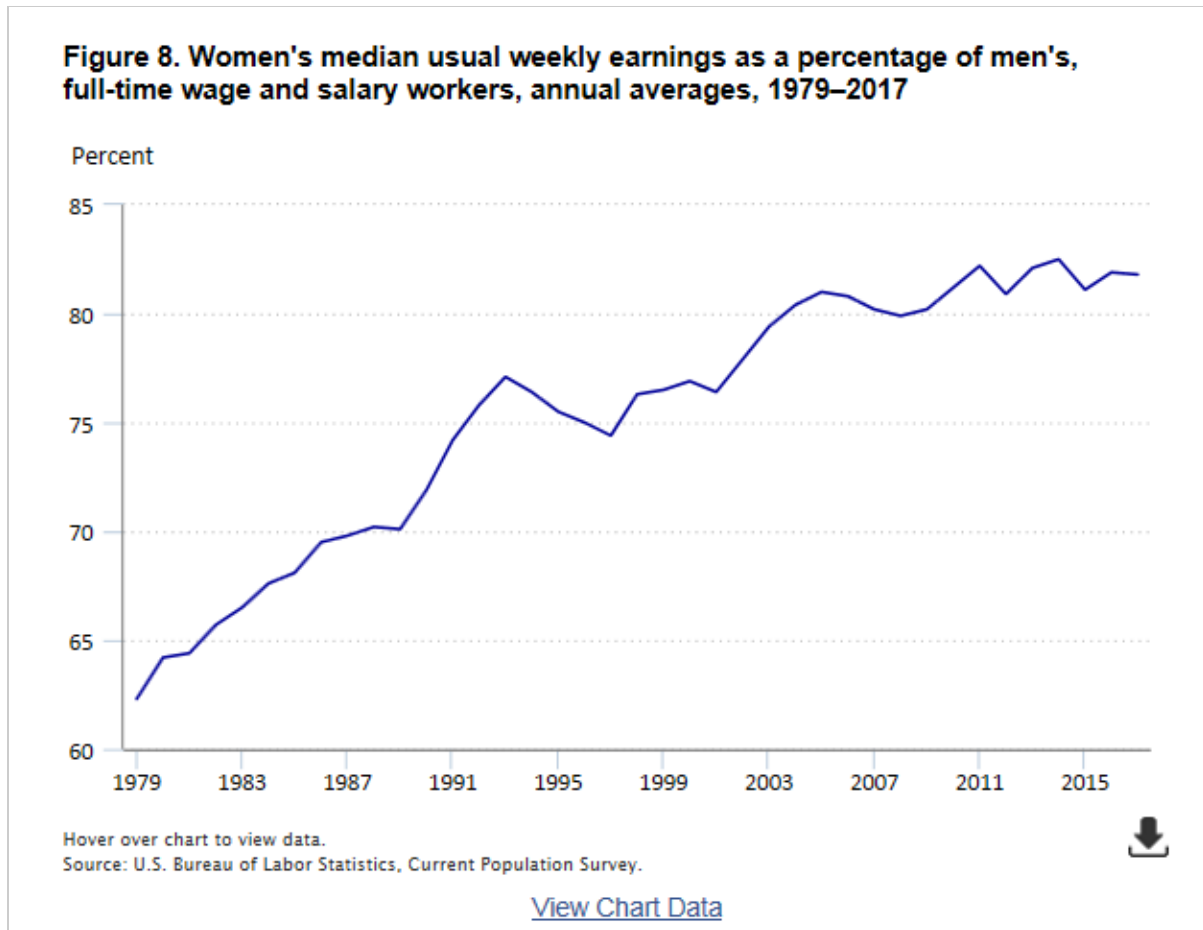
Median weekly earnings of full-time wage and salary workers were up 3.4 percent from 2016 to \$860 in 2017.¹² During the same period, the Consumer Price Index for All Urban Consumers rose by 2.1 percent. (These data are annual averages.) The earnings comparisons here are on a broad level and do not control for many factors that can be important in explaining earnings differences, such as job skills and responsibilities, work experience, and specialization. (See table 10.)

Table 10. Median usual weekly earnings of full-time wage and salary workers, by selected characteristics, annual averages, 2016–17

Characteristic	Current dollars		
	2016	2017	Percent change, 2016–17
Total, 16 years and older	\$832	\$860	3.4
CPI-U (1982–84 = 100)	240.01	245.12	2.1
Men	\$915	\$941	2.8
Women	749	770	2.8
White	862	890	3.2
Men	942	971	3.1
Women	766	795	3.8
Black or African American	678	682	0.6
Men	718	710	-1.1
Women	641	657	2.5
Asian	1,021	1,043	2.2
Men	1,151	1,207	4.9
Women	902	903	0.1
Hispanic or Latino ethnicity	624	655	5.0
Men	663	690	4.1
Women	586	603	2.9
Total, 25 years and older	885	907	2.5
Less than a high school diploma	504	520	3.2
High school graduate, no college	692	712	2.9
Some college or associate's degree	779	798	2.4
Bachelor's degree or higher	1,259	1,279	1.6

Source: U.S. Bureau of Labor Statistics, Current Population Survey and Consumer Price Index.

Median weekly earnings for men reached \$941, and women's earnings rose to \$770. Although earnings grew at the same rate (2.8 percent) for men and women in 2017, women earned 81.8 percent as much as men. This ratio has been in the range of 81 to 83 percent since 2010. (See figure 8.)



Among full-time wage and salary workers in the major race and ethnicity groups, median weekly earnings continued to be higher for Asians (\$1,043) and Whites (\$890) than for Blacks (\$682) and Hispanics (\$655). Over the year, Hispanics had a 5.0-percent increase in median weekly earnings. Earnings for Whites grew by 3.2 percent, while Asians' earnings increased by 2.2 percent. Blacks experienced the smallest over-the-year increase in earnings at 0.6 percent.

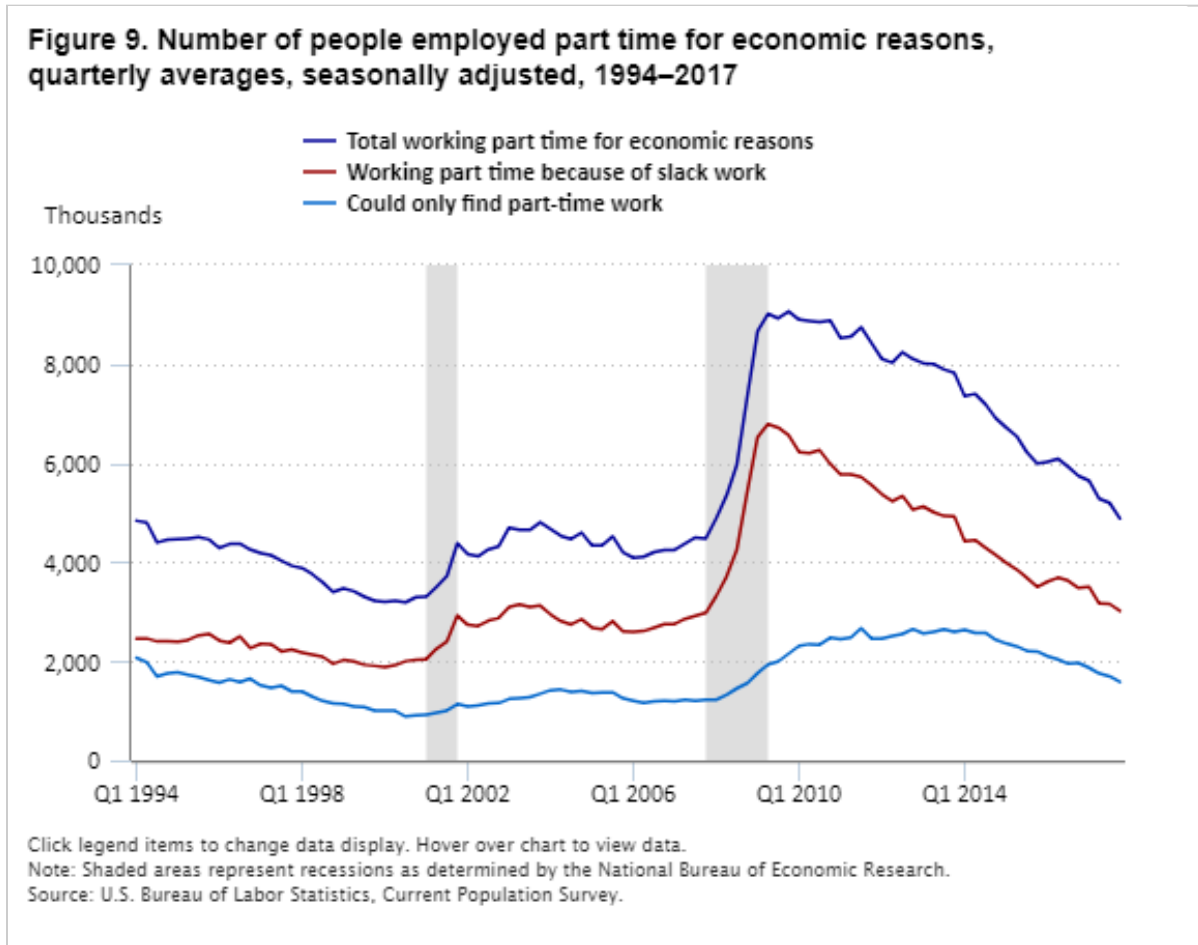
Among workers age 25 and older, those with at least a bachelor's degree continued to have the highest median weekly earnings at \$1,279 (up by 1.6 percent) in 2017. Workers with some college or an associate's degree had weekly earnings of \$798 (an increase of 2.4 percent), while those with only a high school diploma had earnings of \$712 (a 2.9-percent increase). Earnings remained the lowest for workers with less than a high school diploma at \$520 (up by 3.2 percent).

Other measures of slack in the labor market improved in 2017

The number of involuntary part-time workers decreased

People who worked part time for economic reasons, often referred to as involuntary part-time workers, have been of particular interest in the aftermath of the recession. The count of involuntary part-time workers—that is, people who worked 1 to 34 hours a week for an economic reason—includes both people who usually work full time and people who usually work part time. The number of involuntary part-time workers fell over the year to 4.9 million in

the fourth quarter of 2017. This measure hit a high of 9.1 million in the fourth quarter of 2009. Involuntary part-time workers accounted for 3.2 percent of total employment in 2017. In the third quarter of 2007, just before the onset of the Great Recession, there were 4.5 million involuntary part-time workers, who accounted for 3.1 percent of total employment. (See figure 9.)



Involuntary part-time workers were at work less than 35 hours mainly because of slack work or business conditions or because they could only find part-time work.¹³ The number of involuntary part-time workers in both of these categories decreased in 2017. As a share of total employment, both of these categories of involuntary part-time work have decreased in recent years.

The number of people who were not in the labor force but wanted a job decreased

People who are not in the labor force are neither working nor looking for work.¹⁴ In the fourth quarter of 2017, 95.7 million people were not in the labor force, little changed from a year earlier. (See table 11.) (These data are not seasonally adjusted.) Of those who were not in the labor force, about 2 in 5 were 65 years and older, similar to the proportion before the recession.

Table 11. Number of people not in the labor force, fourth quarter averages, not seasonally adjusted, 2013–17 (in thousands)

Category	Fourth quarter 2013	Fourth quarter 2014	Fourth quarter 2015	Fourth quarter 2016	Fourth quarter 2017	Change, fourth quarter 2016 to fourth quarter 2017
Total not in the labor force	91,774	92,698	94,442	95,134	95,671	537
People who do not currently want a job ⁽¹⁾	86,090	86,511	88,864	89,605	90,709	1,104
People who currently want a job	5,684	6,187	5,578	5,529	4,962	-567
Marginally attached to the labor force ⁽²⁾	2,269	2,187	1,822	1,772	1,546	-226
Discouraged workers ⁽³⁾	831	736	641	502	489	-13
Other people marginally attached to the labor force ⁽⁴⁾	1,438	1,451	1,181	1,271	1,057	-214

Notes:

See footnotes at end of table.

(1) Includes some people who are not asked if they want a job.

(2) Data refer to people who want a job, have searched for work during the prior 12 months, and were available to take a job during the reference week, but had not looked for work in the past 4 weeks.

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

(4) Includes those who did not actively look for work in the prior 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.

Source: U.S. Bureau of Labor Statistics, Current Population Survey.

People who are not in the labor force are asked if they currently want a job. By the end of 2017, 5.0 million of those not in the labor force indicated that they wanted a job even though they were not currently looking for one. Over the year, this metric declined by 567,000. People who wanted a job accounted for 5.2 percent of those not in the labor force in the fourth quarter of 2017. This percentage was a series low—the smallest since comparable data became available in 1994.

Among the 5.0 million people who wanted a job in the fourth quarter of 2017, 1.5 million were available for work and had looked for a job sometime in the prior 12 months but not in the past 4 weeks. This group is referred to as marginally attached to the labor force. Because these individuals did not actively search for work in the past 4 weeks, they were not classified as unemployed. The number of individuals marginally attached to the labor force declined by 226,000 over the year, after little change in 2016. People marginally attached to the labor force accounted for a similar share of those not in the labor force in the fourth quarter of 2017 as they did leading up to the recession.

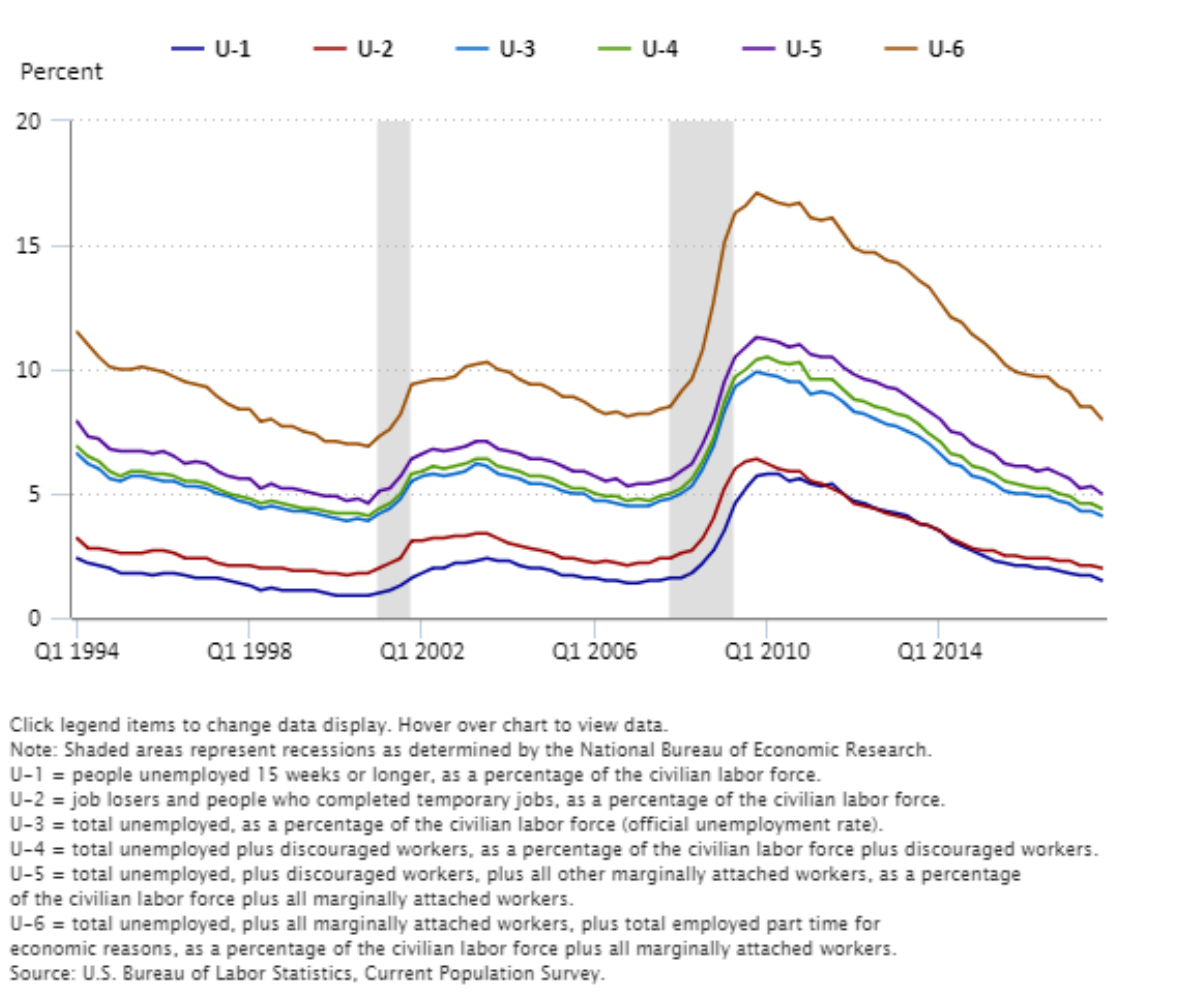
Discouraged workers, a subset of the marginally attached, are people not currently looking for work specifically because they are discouraged over their job prospects. In the last quarter of 2017, the number of discouraged workers (489,000) was essentially unchanged from a year earlier.

The remaining 1.1 million people marginally attached to the labor force in the fourth quarter of 2017 had not searched for work for reasons other than discouragement, such as school attendance, family responsibilities, and health-related issues. The number of these individuals declined by 214,000 over the year.

Most alternative measures of labor underutilization have returned to their prerecession lows

The alternative measures of labor underutilization portray a broad range of labor market challenges faced by today's workers, from various aspects of unemployment to insufficient hours of work for the employed.¹⁵ U-1 and U-2 are defined more narrowly than the official unemployment rate (which is included in this range as U-3) and include only subsets of unemployed people who are counted in the overall unemployment rate. U-4 through U-6 are defined more broadly than the official unemployment rate and include some people who are either employed or not in the labor force in addition to all of those who are unemployed. (See figure 10.)

Figure 10. Measures of labor underutilization, quarterly averages, seasonally adjusted, 1994–2017

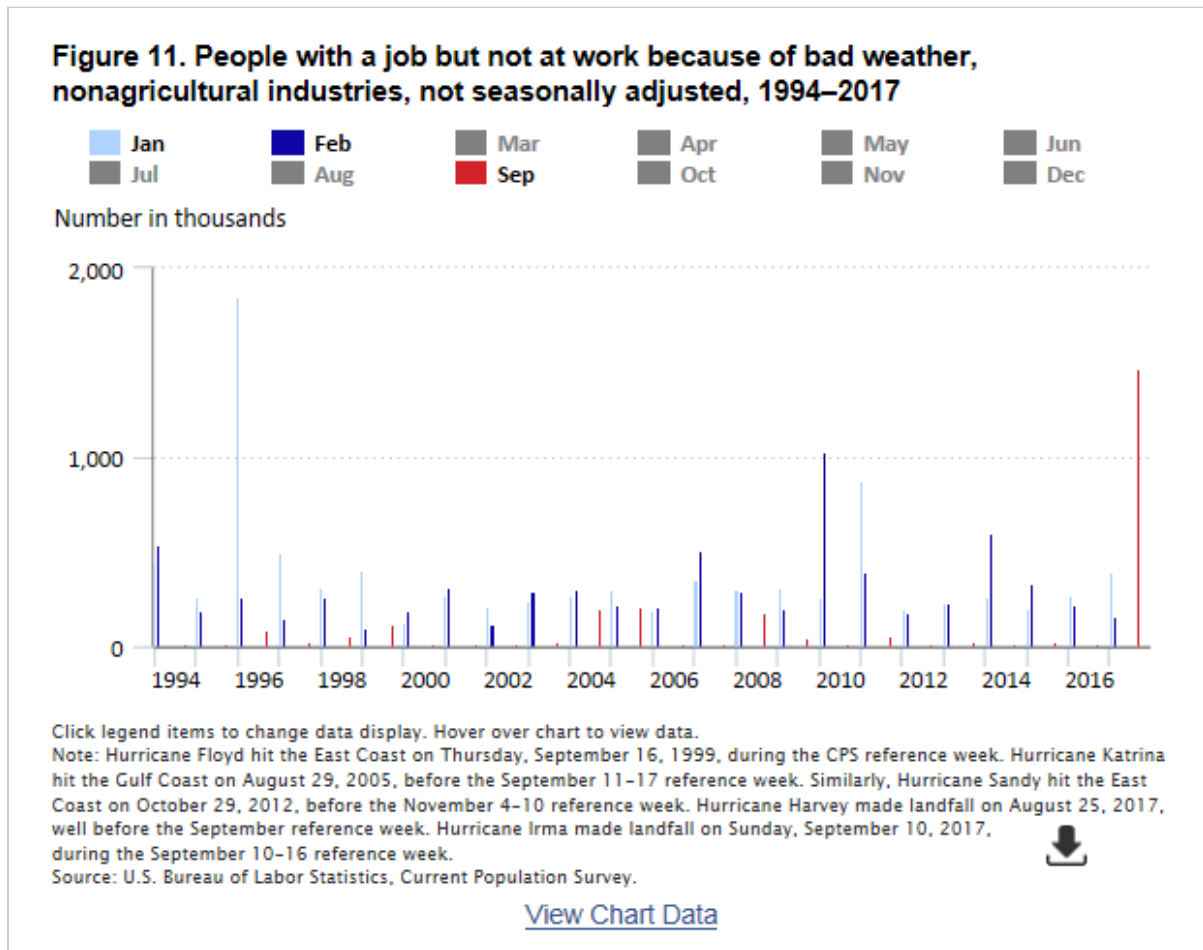


In the fourth quarter of 2017, all alternative measures U-1 through U-6 declined. By the end of the year, all measures were back to, or very near, their prerecession lows.

Hurricanes Harvey and Irma swelled the number of people absent from work because of bad weather in September

Natural disasters and weather-related events adversely affect local economies in many ways. One obvious example is how these events disrupt people's ability to work. In the third quarter of 2017, on August 25, 2017, Hurricane Harvey made landfall in Texas as a category 4 storm; Harvey affected Southeast Texas and the surrounding areas of the Gulf Coast. Shortly afterwards, on September 10, 2017, Hurricane Irma made landfall also as a category 4 storm, mainly affecting Florida and nearby states. Irma struck during the household survey reference week (the week that generally includes the 12th of the month). Because people are counted as employed in the CPS even if they were absent from their job for the entire reference week (regardless of whether they were paid), weather events typically do not have a discernible effect on total employment.

Of interest, however, is that the CPS collects data on weather-related work absences.¹⁶ In September 2017, 1.5 million full- and part-time workers had a job but were not at work for any part of the reference week because of bad weather. This figure is exceptionally high for September by historical standards. (See figure 11.) An additional 2.9 million full-time workers—those who usually work more than 35 hours per week—worked less than 35 hours during the survey reference week because of bad weather. (These are monthly data that measure what happened specifically during the survey reference and collection weeks and do not capture the full effect of weather-related events.)



Summary

The job market continued to improve for the eighth consecutive year in 2017. Employment–population ratios rose and unemployment rates declined for most demographic groups. Employment growth was largely concentrated in management, professional, and related occupations in 2017, and usual weekly earnings of full-time workers increased. The overall unemployment rate hit a 17-year low of 4.1 percent in the fourth quarter of 2017. In addition to the unemployment rate, other measures of labor market slack—such as the share of employment made up of involuntary part-time workers or the percentage of people not working or looking for work who want a job—hovered around or just below prerecession lows in 2017. Although unemployment and other measures of labor

underutilization improved overall, long-term unemployment remained high. The labor force participation rate showed little change over the year.

SUGGESTED CITATION

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NOTES

¹ The National Bureau of Economic Research (NBER) is the official arbiter of the beginning and ending dates of recessions in the United States. According to the NBER, the most recent recession began in December 2007 and ended in June 2009. Turning points are quarterly—fourth quarter 2007 and second quarter 2009—for this article.

² The data in this article are based on information collected in the Current Population Survey (CPS), also called the household survey, which is a monthly sample survey of about 60,000 households nationwide. The survey is conducted by the U.S. Census Bureau for the U.S. Bureau of Labor Statistics (BLS). Effective with the release of data for January 2017, the household survey used updated population estimates. Each year, the U.S. Census Bureau updates its population estimates to reflect new information and assumptions about the growth of the population during the decade. In accordance with usual practice, BLS did not revise the official household survey estimates for December 2016 and earlier months. For additional information on the population adjustments and their effect on national labor force estimates, see "Adjustments to household survey population estimates in January 2017" (U.S. Bureau of Labor Statistics, February 2016), <https://www.bls.gov/cps/population-control-adjustments-2017.pdf>.

³ Although the CPS is a monthly survey, the data analyzed in this article are seasonally adjusted quarterly averages, and all over-the-year changes are comparisons of fourth-quarter data from 2016 with fourth-quarter data from 2017, unless otherwise noted.

⁴ For additional information on the comparability of labor force statistics by race, see "Counting minorities: a brief history and a look at the future" (U.S. Bureau of Labor Statistics, August 2001), <https://www.bls.gov/opub/rtaw/pdf/chapter1.pdf>.

⁵ Data for Asians are not seasonally adjusted before 2010.

⁶ People whose ethnicity is identified as Hispanic or Latino may be of any race. In the CPS, about 90 percent of people of Hispanic or Latino ethnicity are classified as White.

⁷ For additional information, see "Record unemployment among older workers does not keep them out of the job market," *Issues in Labor Statistics*, Summary 10-04 (U.S. Bureau of Labor Statistics, March 2010), <https://www.bls.gov/opub/ils/pdf/opbils81.pdf>.

⁸ In the CPS, veterans are men and women age 18 and over who have previously served on active duty in the U.S. Armed Forces and who were civilians at the time of data collection. Veterans are classified by their period of service: Gulf War era II (September 2001–present); Gulf War era I (August 1990–August 2001); World War II (December 1941–December 1946), Korean War (July 1950–January 1955), and the Vietnam era (August 1964–April 1975); and other service periods (all other time periods). Veterans who served in more than one wartime period are classified in the most recent one.

Effective with data for November 2017, estimates for veterans incorporate population controls derived from an updated Department of Veterans Affairs population model. In accordance with usual practice, BLS did not revise estimates for previous years. Information about the updated veteran population model is available from the Department of Veterans Affairs at https://www.va.gov/vetdata/docs/Demographics/New_Vetpop_Model/Vetpop16_Overview.pdf.

⁹ The foreign born are people 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 include legally admitted immigrants; refugees; temporary residents, such as students and temporary workers; and undocumented immigrants.

¹⁰ For additional information and analysis of data, see Randy E. Ilg and Eleni Theodossiou, “Job search of the unemployed by duration of unemployment,” *Monthly Labor Review*, March 2012, pp. 41–49, <https://www.bls.gov/opub/mlr/2012/03/art3full.pdf>; Randy E. Ilg, “How long before the unemployed find jobs or quit looking?” *Issues in Labor Statistics*, Summary 11-1 (U.S. Bureau of Labor Statistics, May 2011), <https://www.bls.gov/opub/ils/pdf/opbils89.pdf>; “Labor force flows in the most recent recession,” *Issues in Labor Statistics*, Summary 10-08 (U.S. Bureau of Labor Statistics, July 2010), <https://www.bls.gov/opub/ils/pdf/opbils85.pdf>; Harley J. Frazis and Randy E. Ilg, “Trends in labor force flows during recent recessions,” *Monthly Labor Review*, April 2009, <https://www.bls.gov/opub/mlr/2009/04/art1full.pdf>; and Harley J. Frazis, “Employed workers leaving the labor force: an analysis of recent trends,” *Monthly Labor Review*, May 2017, <https://doi.org/10.21916/mlr.2017.16>.

¹¹ The duration of joblessness is the length of time (through the current reference week) that people classified as unemployed have been looking for work. CPS estimates on duration of unemployment do not represent “spells” of unemployment or a complete period of job search. The data do not measure how many weeks a person was unemployed before either finding employment or leaving the labor force. The measure represents the ongoing number of weeks individuals had been unemployed at the time they were surveyed. For additional information, see Thomas Luke Spreen, “Ranks of those unemployed for a year or more up sharply,” *Issues in Labor Statistics*, Summary 10-10 (U.S. Bureau Labor Statistics, October 2010), <https://www.bls.gov/opub/ils/pdf/opbils87.pdf>.

¹² Data on earnings are collected from one-fourth of the CPS sample each month and are limited to the earnings of wage and salary workers. Earnings of self-employed workers, whether or not their businesses are incorporated, are excluded from CPS earnings estimates.

¹³ For additional information, see Emy Sok, “Involuntary part-time work on the rise,” *Issues in Labor Statistics*, Summary 08-08 (U.S. Bureau of Labor Statistics, December 2008), <https://www.bls.gov/opub/ils/pdf/opbils71.pdf>.

¹⁴ For additional information, see Steven F. Hipple, “People who are not in the labor force: why aren’t they working?” *Beyond the Numbers*, December 2015, <https://www.bls.gov/opub/btn/volume-4/people-who-are-not-in-the-labor-force-why-arent-they-working.htm>.

¹⁵ These are alternative measures of labor underutilization: U-1 is people who are unemployed for 15 weeks or longer as a percentage of the labor force; U-2 is the number of people who lost their jobs or people who completed temporary jobs, as a percent of the labor force; U-3 is the total number of people who are unemployed as a percentage of the labor force (official unemployment rate); U-4 is the total number of people who are unemployed, plus discouraged workers, as a percentage of the labor force plus discouraged workers; U-5 is the total number of people who are unemployed, plus discouraged workers, plus all other persons marginally attached to the labor force, as a percentage of the labor force plus all people marginally attached to the labor force; and U-6 is the total number of people who are unemployed, plus all people marginally attached to the labor force, plus the total employed part time for economic reasons, as a percentage of the labor force plus all people marginally attached to the labor force. For further information, see Vernon Brundage, “Trends in unemployment and other labor market difficulties,” *Beyond the Numbers* (U.S. Bureau of Labor Statistics, November 2014), <https://www.bls.gov/opub/btn/volume-3/pdf/trends-in-unemployment-and-other-labor-market-difficulties.pdf>; and Steven E. Haugen, “Measures of labor underutilization from the Current Population Survey,” Working Paper 424 (U.S. Bureau of Labor Statistics, March 2009), <https://www.bls.gov/osmr/research-papers/2009/pdf/ec090020.pdf>.

¹⁶ For additional information and historical analysis on bad-weather series, see Mary Bowler, “Work absences due to bad weather: analysis of data from 1977 to 2010,” *Issues in Labor Statistics*, Summary 12-1 (U.S. Bureau of Labor Statistics, February 2012), <https://www.bls.gov/opub/ils/pdf/opbils90.pdf>.

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