



Labor force

The labor force comprises all individuals 16 years of age or over who are part of the civilian noninstitutional population and are either working or looking for work.

Several factors affect the size of the labor force, including the number of births 16 or more years previously, the number of deaths, and the number of immigrants. Another factor is the proportion of individuals working or looking for work—that is, the labor force participation rate. These rates vary significantly by age, sex, and racial and ethnic group. For example, people in the age groups of 16- to 24-year-olds and 65-year-olds and over have lower participation rates than do people in other age groups because they are more likely to attend school or be retired.

The charts show the following age groups:

- ◆ 65-year-olds and over
- ◆ 55- to 64-year-olds
- ◆ 45- to 54-year-olds
- ◆ 35- to 44-year-olds
- ◆ 25- to 34-year-olds
- ◆ 16- to 24-year-olds.

The charts include the following racial and Hispanic origin groups:

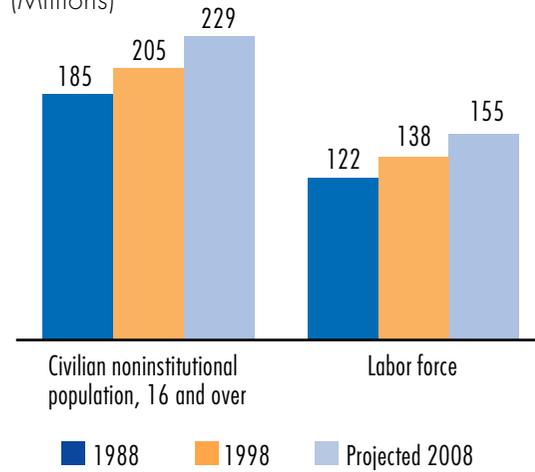
- ◆ White non-Hispanic
- ◆ Black non-Hispanic
- ◆ Hispanic origin of any race
- ◆ Asian and other, including American Indians, Alaskan Natives, and Pacific Islanders.

The racial and ethnic composition of the labor force may change because groups have different age distributions, birth and immigration rates, and labor force participation rates.



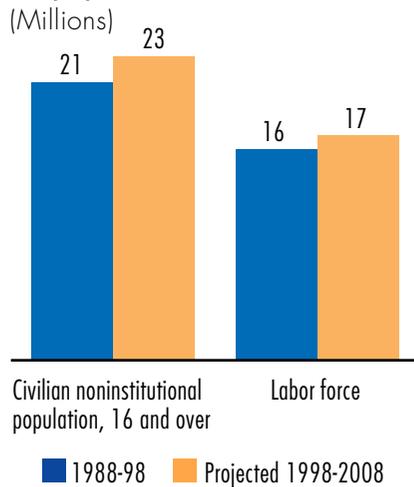
Population and labor force will continue to grow. The labor force is growing faster than the population because the labor force participation rate is rising. As a result, the labor force is projected to reach 68 percent of the population in 2008 compared to 67 percent in 1998.

Population and labor force, 1988, 1998, and projected 2008
(Millions)



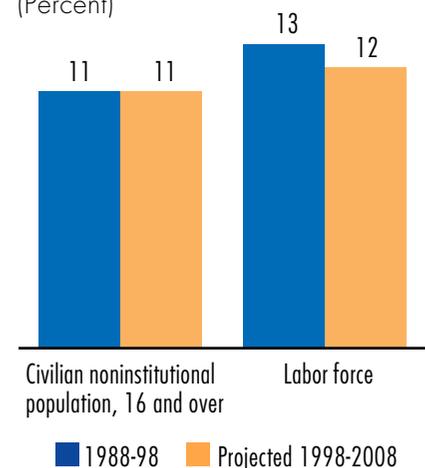
The labor force is projected to grow by 1 million more than it did over the previous decade...

Population and labor force growth, 1988-98 and projected 1998-2008
(Millions)



...but the growth rate of the labor force is projected to be slightly slower.

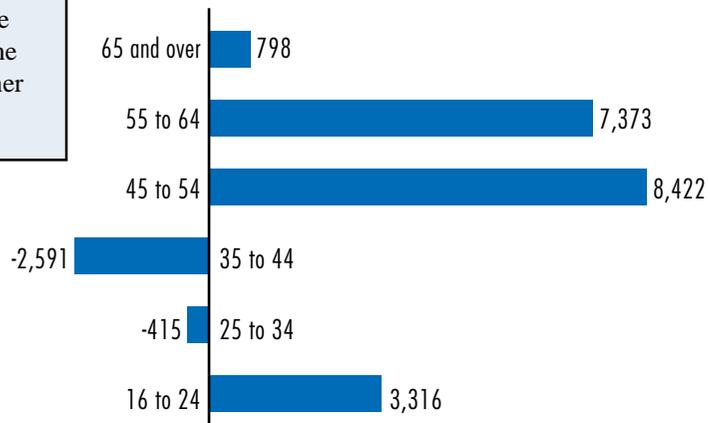
Population and labor force growth, 1988-98 and projected 1998-2008
(Percent)



Age

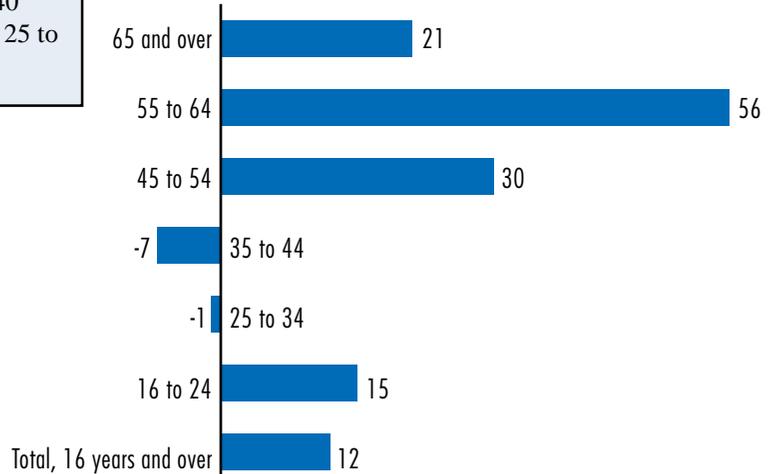
Most labor force growth will be among those aged 45 and over, a group that includes most baby boomers. The number of workers aged 16 to 24 will also grow—by 3 million, making this group the largest it has been in 25 years. The number of workers aged 25 to 44 will decline by 3 million as baby boomers move into other age groups.

Labor force change by age, projected 1998-2008
(Thousands)



The age groups of 55- to 64-year-olds and 45- to 54-year-olds will grow most rapidly. Workers in the age groups of 35- to 44-year-olds and 25- to 34-year-olds will decline. As a result, workers aged 45 and over will increase from 33 to 40 percent of the labor force while those aged 25 to 44 will drop from 51 to 44 percent.

Labor force change by age, projected 1998-2008
(Percent)

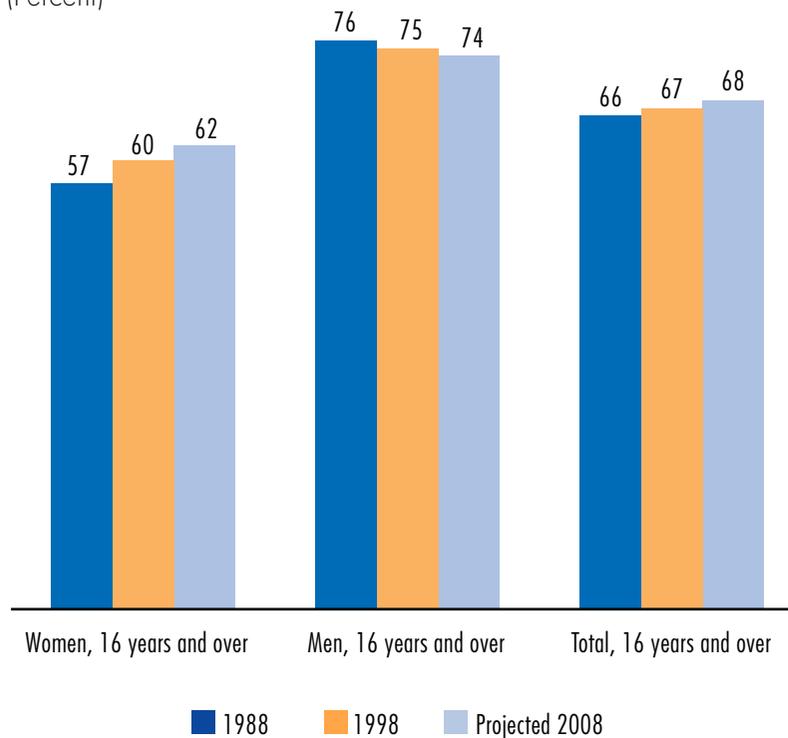




Sex

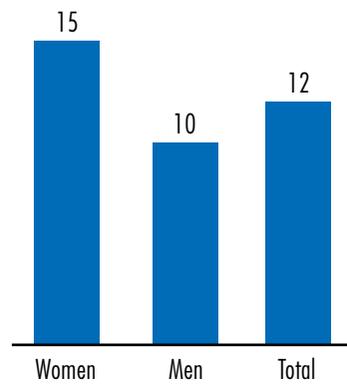
The overall labor force participation rate continues to increase for women and to decline for men.

Labor force participation rates by sex, 1988, 1998, and projected 2008
(Percent)



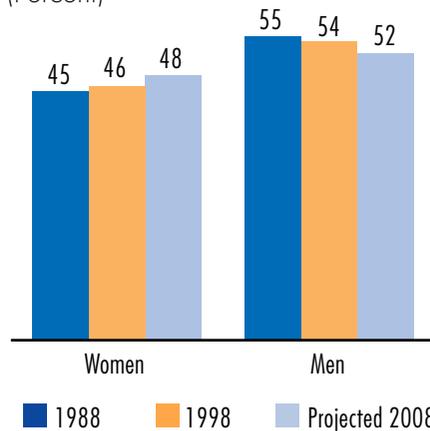
Women's labor force growth should be faster than men's.

Labor force growth by sex, projected 1998-2008
(Percent)



As women add more workers to the labor force, their share approaches that of men.

Labor force share by sex, 1988, 1998, and projected 2008
(Percent)



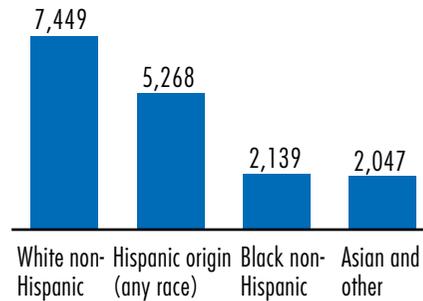


Race and Hispanic origin

White non-Hispanics will continue to have the largest number of people in the labor force. Because of their share of the population, whites will account for close to half of the labor force growth in the coming decade despite their low growth rate; Hispanics will have about one-third of the growth; and blacks and Asians and others about one-eighth each.

Labor force growth by race and Hispanic origin, projected 1998-2008

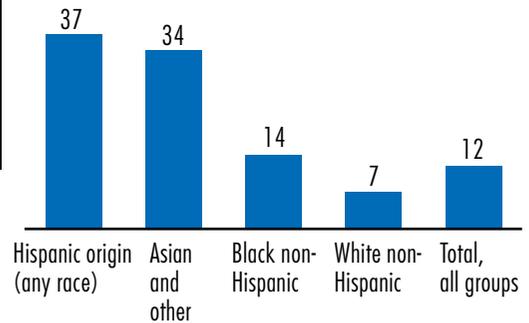
(Thousands)



The labor force growth rate of minorities outpaces that of whites. Labor force growth of Hispanics and Asians and others reflects significant levels of immigration. The labor force growth rate of blacks is faster than that of whites because of faster population growth stemming from higher birth rates.

Labor force growth by race and Hispanic origin, projected 1998-2008

(Percent)



As a result of growth patterns, the proportion of whites in the labor force will decrease 3 percentage points, the share of blacks will stay about the same, that of Hispanics will increase 2 percentage points, and the share of Asians and others will increase 1 percentage point.

Labor force share by race and Hispanic origin, 1998 and projected 2008

(Percent)

