

Employment outlook: 1996–2006

Labor force 2006: slowing down and changing composition

*As the baby-boom generation ages,
the median age of the work force
rises to a new record in 2006;
the Hispanic labor force could exceed that of blacks*

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The labor force, those persons working or looking for work, is projected to increase by 15 million over the 1996–2006 period, reaching 149 million in 2006.¹ This 11-percent increase is less than the 14-percent increase over the previous 10-year period, 1986–96, when the labor force grew by 16 million.

For women, the rate of growth in the labor force is expected to slow, but it will still increase at a faster rate than that of men. (See table 1.) As a result, women are projected to increase as a portion of the labor force from 46 percent in 1997 to 47 percent in 2006. The number of men in the labor force is projected to grow, but at a slower rate than that in the past as labor force participation for men in most age groups is projected to continue declining. The projected labor force growth will be affected by the aging of the baby-boom generation, persons born between 1946 and 1964. In 2006, the baby-boom cohort will be ages 42 to 60, and this age group will show significant growth over the 1996–2006 period. Race or Hispanic origin groups have shown—and are projected to continue to show—widely varied growth rates because of divergent rates of population growth in the past. The Asian and other group is projected to increase most rapidly. By 2006, the Hispanic labor force is projected to be larger than the black labor force, primarily because of faster population growth.

The youth labor force (aged 16 to 24) is expected to grow more rapidly than the overall labor force

for the first time in 25 years. At the same time, the number of persons in the labor force ages 25 to 44 is projected to decrease, as the baby-boom generation continues its inexorable aging.

This article describes the labor force projections, made by the Bureau of Labor Statistics for 136 age, sex, race, or Hispanic origin groups.² For this article, changes in the labor force are first attributed to changes in labor force participation rate or population changes and then to the dynamics resulting from persons entering, leaving, or staying in the labor force; factors that also lead to changes in the composition of the labor force. Finally, this article reviews the demographic implications of projected changes in the age composition of the labor force and population.³

The labor force projections are made by combining projections of the population made by the Bureau of the Census with labor force participation rate projections made by the Bureau of Labor Statistics.⁴ Consequently, the resulting labor force reflects changes in both projections. Changes in the labor force are better understood if they are decomposed into the two components and, therefore, each of these subjects is discussed separately. To gauge the relative importance of the two components, historically, 81 percent of labor force growth over the 1986–96 period can be attributed to population growth and the remainder, to labor force participation growth. For projected (1996–2006) labor force growth, 89 percent of it can be attributed to population

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Table 1. Civilian labor force by sex, age, race, and Hispanic origin, 1976, 1986, 1996, and projected 2006

[Numbers in thousands]

Group	Level				Change			Percent change			Percent distribution				Annual growth rate (percent)		
	1976	1986	1996	2006	1976-86	1986-96	1996-2006	1976-86	1996-2006	1996-2006	1976	1986	1996	2006	1986-96	1976-86	1996-2006
Total, 16 years and over	96,158	117,834	133,943	148,847	21,676	16,109	14,904	22.5	13.7	11.1	100.0	100.0	100.0	100.0	2.1	1.3	1.1
Men, 16 years and over	57,174	65,422	72,087	78,226	8,248	6,665	6,139	14.4	10.2	8.5	59.5	55.5	53.8	52.6	1.4	1.0	.8
Women, 16 years and over	38,983	52,413	61,857	70,620	13,430	9,444	8,764	34.5	18.0	14.2	40.5	44.5	46.2	47.4	3.0	1.7	1.3
16 to 24	23,340	23,367	21,183	24,418	27	-2,184	3,236	.1	-9.3	15.3	24.3	19.8	15.8	16.4	.0	-1.0	1.4
25 to 54	58,502	79,563	96,786	101,454	21,061	17,223	4,668	36.0	21.6	4.8	60.8	67.5	72.3	68.2	3.1	2.0	.5
55 and over	14,317	14,904	15,974	22,974	587	1,070	6,999	4.1	7.2	43.8	14.9	12.6	11.9	15.4	.4	.7	3.7
White, 16 years and over	84,767	101,801	113,108	123,581	17,034	11,307	10,473	20.1	11.1	9.3	88.2	86.4	84.4	83.0	1.8	1.1	.9
Black, 16 years and over	9,561	12,654	15,134	17,225	3,093	2,480	2,091	32.4	19.6	13.8	9.9	10.7	11.3	11.6	2.8	1.8	1.3
Asian and other, 16 years and over ¹ ..	1,822	3,371	5,703	8,041	1,549	2,332	2,338	85.0	69.2	41.0	1.9	2.9	4.3	5.4	6.3	5.4	3.5
Hispanic origin, 16 years and over ² ..	...	8,076	12,774	17,401	...	4,698	4,627	...	58.2	36.2	...	6.9	9.5	11.7	...	4.7	3.1
Other than Hispanic origin, 16 years and over ² ...	...	109,758	121,169	131,446	...	11,411	10,276	...	10.4	8.5	...	93.1	90.5	88.3	...	1.0	.8
White non-Hispanic ² ...	...	94,026	100,915	108,166	...	6,890	7,251	...	7.3	7.2	...	79.8	75.3	72.7	...	.7	.7

¹ The "Asian and other" group includes (1) Asians and Pacific Islanders and (2) American Indians and Alaska Natives. The historical data are derived by subtracting "black" from the "black and other" group; projections are made

directly, not by subtraction.

² Data by Hispanic origin are not available before 1980.

growth and 11 percent, to an increase in labor force participation rates.

Population

Population will continue to increase over the 1996–2006 period, but the rate of growth will be slower than that during the previous 10 years, continuing the slowing trend since the mid-1970s. (This analysis is based on the Census Bureau’s middle population projection scenario.) Minority groups that have grown the fastest in the past, Asians and other and Hispanics, are projected to continue to grow much faster than white non-Hispanics. Youth, ages 16 to 24, will increase as a share of the population, reversing a declining trend since the mid-1970s. The age group 55 to 64 will increase by 9 million persons

over the 1996–2006 period, reversing a decline that occurred over the 1986–96 period. The 65 and older group will decline as a share of the population, reversing the trend, of the 1976–86 and 1986–96 periods.

Population growth trends and changes in its demographic composition reflect births, deaths, and net migration to and from the United States. Table 2 provides four snapshots of the population at 10-year intervals over the 1976–2006 period. Four major demographic events over this period have had a significant impact on shaping the changes in growth rates of the population and its composition by age, sex, race, and Hispanic origin: 1) the birth dearth of the late 1920s and early 1930s, 2) the baby boom of the late 1940s through the early 1960s, 3) the modest increase in births from the late 1970s through the early 1990s, and 4) the massive immigra-

Table 2. Civilian noninstitutional population by sex, age, race, and Hispanic origin, 1976, 1986, 1996, and projected 2006

[Numbers in thousands]

Group	Level				Change			Annual growth rate			Percent distribution			
	1976	1986	1996	2006	1976-86	1986-96	1996-2006	1976-86	1986-96	1996-2006	1976	1986	1996	2006
Total, 16 years and over	156,150	180,587	200,591	221,191	24,437	20,004	20,600	1.5	1.1	1.0	100.0	100.0	100.0	100.0
16 to 24	35,723	34,066	32,343	38,106	-1,657	-1,723	5,764	-.5	-.5	1.7	22.9	18.9	16.1	17.2
16 to 19	16,614	14,496	14,934	17,245	-2,118	438	2,311	-1.4	.3	1.4	10.6	8.0	7.4	7.8
20 to 24	19,109	19,569	17,409	20,862	460	-2,160	3,453	.2	-1.2	1.8	12.2	10.8	8.7	9.4
25 to 54	78,158	97,013	115,506	119,500	18,855	18,493	3,995	2.2	1.8	.3	50.1	53.7	57.6	54.0
25 to 34	31,953	41,731	40,252	36,370	9,778	-1,479	-3,882	2.7	-.4	-1.0	20.5	23.1	20.1	16.4
35 to 44	22,796	32,550	43,086	41,550	9,754	10,536	-1,536	3.6	2.8	-.4	14.6	18.0	21.5	18.8
45 to 54	23,409	22,732	32,167	41,580	-677	9,435	9,413	-.3	3.5	2.6	15.0	12.6	16.0	18.8
55 and over	42,269	49,508	52,742	63,584	7,239	3,234	10,843	1.6	.6	1.9	27.1	27.4	26.3	28.7
55 to 64	20,185	22,011	20,990	29,956	1,826	-1,021	8,966	.9	-.5	3.6	12.9	12.2	10.5	13.5
65 and over	22,083	27,497	31,751	33,628	5,414	4,254	1,877	2.2	1.4	.6	14.1	15.2	15.8	15.2
65 to 74	13,977	17,039	18,244	18,140	3,062	1,205	-104	2.0	.7	-.1	9.0	9.4	9.1	8.2
75 and over	8,160	10,525	13,507	15,488	2,365	2,982	1,981	2.6	2.5	1.4	5.2	5.8	6.7	7.0
Men, 16 years and over	73,759	85,798	96,206	106,267	12,039	10,408	10,061	1.5	1.2	1.0	47.2	47.5	48.0	48.0
16 to 24	17,481	16,773	16,210	19,518	-708	-563	3,308	-.4	-.3	1.9	11.2	9.3	8.1	8.8
16 to 19	8,244	7,275	7,600	8,675	-969	325	1,075	-1.2	.4	1.3	5.3	4.0	3.8	3.9
20 to 24	9,237	9,498	8,611	10,844	261	-887	2,233	.3	-1.0	2.3	5.9	5.3	4.3	4.9
25 to 54	37,781	47,342	56,671	58,290	9,561	9,329	1,619	2.3	1.8	.3	24.2	26.2	28.3	26.4
25 to 34	15,528	20,498	19,775	17,839	4,970	-723	-1,936	2.8	-.4	-1.0	9.9	11.4	9.9	8.1
35 to 44	11,010	15,858	21,222	20,392	4,848	5,364	-829	3.7	3.0	-.4	7.1	8.8	10.6	9.2
45 to 54	11,243	10,986	15,674	20,058	-257	4,688	4,384	-.2	3.6	2.5	7.2	6.1	7.8	9.1
55 and over	18,497	21,683	23,324	28,459	3,186	1,641	5,135	1.6	.7	2.0	11.8	12.0	11.6	12.9
55 to 64	9,444	10,336	9,997	14,131	892	-339	4,134	.9	-.3	3.5	6.0	5.7	5.0	6.4
65 and over	9,053	11,347	13,327	14,328	2,294	1,980	1,001	2.3	1.6	.7	5.8	6.3	6.6	6.5
65 to 74	6,028	7,557	8,194	8,361	1,529	637	167	2.3	.8	.2	3.9	4.2	4.1	3.8
75 and over	3,034	3,857	5,134	5,967	823	1,277	833	2.4	2.9	1.5	1.9	2.1	2.6	2.7
Women, 16 years and over	82,390	94,789	104,385	114,924	12,399	9,596	10,539	1.4	1.0	1.0	52.8	52.5	52.0	52.0
16 to 24	18,242	17,293	16,132	18,588	-949	-1,161	2,456	-.5	-.7	1.4	11.7	9.6	8.0	8.4
16 to 19	8,370	7,221	7,335	8,570	-1,149	114	1,235	-1.5	.2	1.6	5.4	4.0	3.7	3.9
20 to 24	9,872	10,072	8,798	10,018	200	-1,274	1,220	.2	-1.3	1.3	6.3	5.6	4.4	4.5
25 to 54	40,377	49,671	58,835	61,210	9,294	9,164	2,376	2.1	1.7	.4	25.9	27.5	29.3	27.7
25 to 34	16,425	21,233	20,477	18,531	4,808	-756	-1,946	2.6	-.4	-1.0	10.5	11.8	10.2	8.4
35 to 44	11,786	16,692	21,865	21,158	4,906	5,173	-706	3.5	2.7	-.3	7.5	9.2	10.9	9.6
45 to 54	12,166	11,746	16,493	21,521	-420	4,747	5,028	-.4	3.5	2.7	7.8	6.5	8.2	9.7
55 and over	23,771	27,825	29,417	35,125	4,054	1,592	5,708	1.6	.6	1.8	15.2	15.4	14.7	15.9
55 to 64	10,742	11,675	10,993	15,825	933	-682	4,832	.8	-.6	3.7	6.9	6.5	5.5	7.2
65 and over	13,030	16,150	18,424	19,301	3,120	2,274	876	2.2	1.3	.5	8.3	8.9	9.2	8.7
65 to 74	7,949	9,482	10,050	9,780	1,533	568	-271	1.8	.6	-.3	5.1	5.3	5.0	4.4
75 and over	5,126	6,668	8,374	9,521	1,542	1,706	1,147	2.7	2.3	1.3	3.3	3.7	4.2	4.3
White, 16 years and over	137,106	155,432	168,317	182,147	18,326	12,885	13,830	1.3	.8	.8	87.8	86.1	83.9	82.3
Men	65,132	74,390	81,489	88,893	9,258	7,099	7,404	1.3	.9	.9	41.7	41.2	40.6	40.2
Women	71,974	81,042	86,828	93,255	9,068	5,786	6,427	1.2	.7	.7	46.1	44.9	43.3	42.2
Black, 16 years and over	16,196	19,989	23,604	26,548	3,793	3,615	2,944	2.1	1.7	1.2	10.4	11.1	11.8	12.0
Men	7,265	8,956	10,575	11,483	1,691	1,619	909	2.1	1.7	.8	4.7	5.0	5.3	5.2
Women	8,931	11,033	13,029	15,064	2,102	1,996	2,036	2.1	1.7	1.5	5.7	6.1	6.5	6.8
Asian and other, 16 years and over ¹	2,867	5,147	8,671	12,496	2,280	3,524	3,824	6.0	5.4	3.7	1.8	2.9	4.3	5.6
Men	1,354	2,434	4,142	5,891	1,080	1,708	1,749	6.0	5.5	3.6	.9	1.3	2.1	2.7
Women	1,513	2,713	4,530	6,605	1,200	1,817	2,075	6.0	5.3	3.8	1.0	1.5	2.3	3.0

Table 2. Continued—Civilian noninstitutional population by sex, age, race, and Hispanic origin, 1976, 1986, 1996, and projected 2006

[Numbers in thousands]

Group	Level				Change			Annual growth rate			Percent distribution			
	1976	1986	1996	2006	1976–86	1986–96	1996–2006	1976–86	1986–96	1996–2006	1976	1986	1996	2006
Hispanic origin, 16 years and over ²	12,344	19,213	26,459	...	6,869	7,247	...	4.5	3.3	...	6.8	9.6	12.0
Men	6,105	9,604	13,270	...	3,499	3,667	...	4.6	3.3	...	3.4	4.8	6.0
Women	6,238	9,610	13,189	...	3,372	3,579	...	4.4	3.2	...	3.5	4.8	6.0
Other than Hispanic origin, 16 years and over ²	168,243	181,378	194,732	...	13,135	13,354	...	.8	.7	...	93.2	90.4	88.0
Men	79,693	86,602	92,997	...	6,909	6,395	...	.8	.7	...	44.1	43.2	42.0
Women	88,551	94,775	101,735	...	6,224	6,960	...	.7	.7	...	49.0	47.2	46.0
White non-Hispanic, 16 and over ²	143,566	150,026	158,638	...	6,460	8,612	...	.4	.6	...	79.5	74.8	71.7
Men	68,587	72,318	77,013	...	3,731	4,695	...	.5	.6	...	38.0	36.1	34.8
Women	74,980	77,708	81,625	...	2,729	3,917	...	.4	.5	...	41.5	38.7	36.9

¹ The "Asian and other" group includes (1) Asians and Pacific Islanders and (2) American Indians and Alaska Natives. The historical data are derived by subtracting "black" from the "black and other" group; projections are made directly,

not by subtraction.

² Data by Hispanic origin are not available before 1980.

tion that started in the 1970s and has yet to cease.

The effects of the first event are reflected in the declining number of persons aged 45 to 54 from 1976–86, aged 55 to 64 from 1986–96, and aged 65 to 74, 1996–2006. The second event can be traced by following the movements of the baby-boom generation through age groups with the greatest increase in each period. For example, the 25- to 44-age group increased most significantly over the 1976–86 period and the 35- to 54-age group had the greatest increase over the 1986–96 period. For the projected period, 1996–2006, persons aged 45 to 64 are expected to generate the highest growth. The population in the age group following the baby-boomers shows declining numbers, those aged 25 to 34 from 1986 to 1996 and 25 to 44 in the projection, 1996–2006. From 1996 to 2005, the number of persons aged 25 to 34 is expected to decline by 3.9 million. This same age group increased by 9.8 million during 1976–86, when the baby boomers were that age.

The third demographic event will be reflected in growth of the population aged 16 to 24 from 1996 to 2006, which will reverse the trend of declining numbers in this age group over the 1976–86 and 1986–96 periods.

For the fourth event, net immigration has had a significant impact on population growth over the 1976–96 period and is expected to continue to do so over the 1996–2006 period. The assumption used by the Bureau of the Census for the middle population growth scenario used in developing the labor force projections is that net immigration will be 820,000 each year. Thus, a sizable proportion of the net population growth over the projected 1996–2006 period will stem from

immigration. The effects of immigration on the demographic composition of the population can be seen in two ways in table 2. The first is reflected in the very rapidly paced growth of the Asian and other and Hispanic populations. Although growth of these groups is expected to slow from 1996–2006, the projected growth rates for these groups are nevertheless much faster than for other groups. The second way immigration affects the composition of the population is by age distribution. For example, persons aged 25 to 34 numbered 32 million in 1976. Ten years later, this same cohort was even larger, 32.6 million. Similarly, persons aged 25 to 34 in 1986 grew in number from 41.7 million to 43.1 million 10 years later. The only way these cohorts could increase is through net immigration. Because the overwhelming reason for immigration is the opportunity to work, the labor force at these ages is affected significantly by immigration.⁵

The general effect of mortality on the population can be seen by the age distributions of women and men. However, the longevity of women as compared to men is also seen clearly in table 2. In 1996, men and women were each 8 percent of the population aged 16 to 24. However, for persons 75 years of age and older, women made up 4 percent of the population and men, 2.6 percent, reflecting the higher life expectancy of women.

To summarize the projected population component, the middle growth population is expected to be larger, to have a lower proportion of non-Hispanic whites (72 percent, down from 75 percent in 1996), more youth and more older people. The baby-boom generation would be 10 years older. The proportion of men and women in the population would not change.

An alternative immigration scenario. Of the various ways the future population could be different, the possibility of higher immigration is of great interest. BLS prepared an alternative labor force projection reflecting the high net immigration scenario from the Census Bureau; the only difference in the population is the assumption about net immigration, which is 1.4 million persons annually. This reflects more people entering the United States and fewer leaving it than those in the middle growth scenario. A summary, provided in table 3, shows how the labor force projection would differ from the base projection (or middle growth scenario) if this alternative were used. The labor force would be, of course, larger, by 5.8 million or 4 percent. This is a greater increase than the population increase, which is 4.4 million or 2 percent. Because the overwhelming number of persons who come to the United States do so to work, the Bureau increased the labor force participation rates for this scenario. The labor force of women would increase somewhat more than that for men. The increase would be concentrated in the ages younger than 55, which are the ages of greatest immigration. The proportion of the labor force under age 25 would increase, the proportion aged 25 to 54 would remain the same, and the older labor force's share would decrease.

Because immigration to the United States varies significantly by country and area of the world, so does immigration by race and Hispanic origin. Under the high immigration scenario, the number of Asians and others would increase by 13 percent and the number of Hispanics by 8 percent. The number of blacks in the labor force would also increase by more than the overall rate of increase in the labor force and the increase of white non-Hispanics would be less than the over-

all increase. As a result, their share of the labor force would be 1 percentage point less. The black share of the labor force would not change and the other two groups would increase their share.

Labor force participation rates

The labor force participation or activity rate—a measure of the proportion of a population group in the labor force—differs by age, sex, race and Hispanic origin as shown in table 4. Although labor force participation rates for specific groups change over time, the general overall pattern is fairly consistent across age groups, between the sexes, and among race and Hispanic origin groups.

Age. Labor force participation is low for young persons (aged 16 to 24) because of school or child care responsibilities. It rises during the working years, ages 25 to 44, and then declines after age 55 as workers retire. The participation rate for persons aged 16 to 19 in 1996 was 52 percent; for ages 35 to 44, the rate was 85 percent; and for ages 75 and older, the rate dropped to 5 percent in 1996.

Sex. The labor force participation rates for men are not only higher than those for women at the aggregated level, but also at every age group. The trends in the rates for men and women are also different. In general, the rates for women have been rising, while the rates for men have been declining, although some age groups go against the general pattern. The difference in rates by sex also holds across race and Hispanic origin groups, as a later section shows.

Table 3. High immigration projection of the civilian labor force by sex, age, race, and Hispanic origin, 2006

Group	Participation rate (percent)	Difference from base projection	Labor force (thousands)	Difference from base projection (thousands)	Percent difference	Percent distribution	Difference from base projection	Population (thousands)	Difference from base projection (thousands)
Total	68.6	1.0	154,650	5,803	3.9	100.0	...	225,591	4,400
Men	74.7	1.1	81,169	2,943	3.8	52.5	-.1	108,703	2,436
Women	62.9	1.4	73,481	2,860	4.1	47.5	.1	116,888	1,964
16 to 24	66.6	4.2	25,763	1,344	5.5	16.7	.3	38,670	564
25 to 54	85.9	.4	105,386	3,932	3.9	68.1	.0	122,666	3,166
55 years and over	36.6	-.2	23,501	527	2.3	15.2	-.2	64,254	670
White, 16 years and over ...	69.3	1.2	127,527	3,946	3.2	82.5	-.6	184,153	2,006
Black, 16 years and over ...	65.2	.3	18,061	836	4.9	11.7	.1	27,696	1,148
Asian and other, 16 years and over ¹	65.9	.3	9,062	1,021	12.7	5.9	.5	13,741	1,246
Hispanic, 16 years and over	68.0	.6	18,852	1,452	8.3	12.2	.5	27,721	1,262
Other than Hispanic, 16 years and over	68.6	1.1	135,797	4,352	3.3	87.8	-.5	197,870	3,138
White non-Hispanic	69.4	.6	110,837	2,670	2.5	71.7	-1.0	159,765	1,127

¹ The "Asian and other" group includes (1) Asians and Pacific Islanders and (2) American Indians and Alaska Natives.

Table 4. Civilian labor force participation rates by sex, age, race, and Hispanic origin, 1976, 1986, 1996, and projected 2006

Group	Participation rate (percent)				Percentage point change (percent)		
	1976	1986	1996	2006	1976-86	1986-96	1996-2006
Total, 16 years and over	61.6	65.3	66.8	67.6	3.7	1.5	.8
16 to 24	65.3	68.6	65.5	62.4	3.3	-3.1	-3.1
16 to 19	54.5	54.7	52.3	51.8	.2	-2.4	-.5
20 to 24	74.8	78.9	76.8	74.3	4.2	-2.1	-2.6
25 to 54	74.9	82.0	83.8	85.5	7.2	1.8	1.7
25 to 34	75.7	82.9	84.1	84.8	7.1	1.2	.7
35 to 44	75.7	83.7	84.8	85.3	7.9	1.2	.5
45 to 54	76.0	78.0	82.1	84.6	2.1	4.0	2.5
55 and over	33.9	30.1	30.3	36.8	-3.8	.2	6.5
55 to 64	56.6	54.0	57.9	62.6	-2.5	3.8	4.7
65 and over	13.1	10.9	12.1	12.6	-2.2	1.1	.5
65 to 74	17.7	15.2	17.5	18.2	-2.5	2.3	.7
75 and over	5.2	4.0	4.7	5.9	-1.2	.7	1.2
Men, 16 years and over	77.5	76.3	74.9	73.6	-1.3	-1.3	-1.3
16 to 24	72.9	73.0	68.8	65.8	.1	-4.3	-2.9
16 to 19	59.3	56.4	53.2	52.5	-2.9	-3.2	-.7
20 to 24	85.2	85.8	82.5	76.5	.6	-3.3	-6.0
25 to 54	94.2	93.8	91.8	90.8	-.4	-2.0	-1.0
25 to 34	95.2	94.6	93.2	92.3	-.6	-1.4	-.9
35 to 44	95.4	94.8	92.4	90.6	-.6	-2.4	-1.8
45 to 54	91.6	91.0	89.1	89.5	-.6	-1.9	.4
55 and over	47.8	40.4	38.3	43.8	-7.4	-2.1	5.5
55 to 64	74.3	67.3	67.0	70.2	-7.1	-.3	3.2
65 and over	20.2	16.0	16.9	17.8	-4.2	.9	.9
65 to 74	25.6	20.5	22.9	23.9	-5.1	2.3	1.1
75 and over	9.3	6.7	7.3	9.2	-2.6	.6	1.9
Women, 16 years and over .	50.9	55.3	59.3	61.4	4.4	4.0	2.2
16 to 24	62.5	64.3	62.2	62.2	1.8	-2.1	.0
16 to 19	54.2	53.0	51.3	51.0	-1.3	-1.7	-.3
20 to 24	69.0	72.4	71.3	71.8	3.4	-1.1	.5
25 to 54	62.3	70.8	76.1	79.3	8.5	5.3	3.2
25 to 34	63.9	71.6	75.2	77.6	7.7	3.6	2.3
35 to 44	63.6	73.1	77.5	80.2	9.5	4.4	2.7
45 to 54	58.3	65.9	75.4	79.9	7.6	9.4	4.5
55 and over	23.2	22.1	23.9	29.9	-1.2	1.8	6.0
55 to 64	41.7	42.3	49.6	55.8	.6	7.3	6.2
65 and over	8.3	7.4	8.6	8.7	-.9	1.2	.1
65 to 74	11.8	11.0	13.1	13.3	-.8	2.2	.2
75 and over	2.7	2.4	3.1	3.9	-.4	.7	.8
White	61.8	65.5	67.2	68.1	3.7	1.7	.9
Men	78.4	76.9	75.8	74.3	-1.4	-1.1	-1.6
Women	46.9	55.0	59.1	62.0	8.1	4.1	2.9
Black, 16 years and over	59.0	63.3	64.1	64.9	4.3	.8	.8
Men	70.2	71.2	68.7	69.6	.9	-2.5	-.9
Women	49.9	56.9	60.4	61.3	7.0	3.5	.9
Asian and other, 16 years and over ¹	64.6	65.5	65.8	65.7	.9	.3	-.1
Men	79.2	75.0	73.4	71.6	-4.2	-1.6	-1.7
Women	51.9	57.0	58.8	60.1	5.1	1.8	1.3
Hispanic origin, 16 years and over ² .....	...	65.4	66.5	65.7	...	1.1	1.0
Men .....	...	81.0	79.6	77.1	...	-1.4	-2.5
Women .....	...	50.1	53.4	57.2	...	3.2	3.8
Other than Hispanic origin, 16 years and over ² .....	...	65.2	66.8	67.5	...	1.6	.7
Men .....	...	75.9	74.4	73.1	...	-1.5	-1.3
Women .....	...	55.7	59.9	62.4	...	4.2	2.5
White non-Hispanic, 16 years and over ² .....	...	65.5	67.3	68.7	...	1.8	1.5
Men .....	...	76.5	75.3	74.1	...	-1.2	-1.2
Women .....	...	55.4	59.8	63.7	...	4.4	3.9

¹ The "Asian and other" group includes (1) Asians and Pacific Islanders and (2) American Indians and Alaska Natives. The historical data are derived by subtracting "black" from the "black and other" group; projections are made

directly, not by subtraction.

² Data by Hispanic origin are not available before 1980.

Age and sex. Changes over time in the aggregate labor force participation rates of men have been consistent: down by 1.3 percentage points for both 1976–86 and 1986–96. The age-specific activity rates of men have been dropping across age groups with few exceptions. Over the 1976–86 period, only men aged 20 to 24 increased their participation, and only by a modest 0.6-percentage points. This was not repeated in the 1986–96 period. Labor force participation rates for men 65 and older increased, starting in 1985. The rates for men 65 to 74 increased sharply, by 2.3 percentage points, reversing a trend that dates back to at least 1890.

All other age groups of men decreased their labor force participation in both periods. For age groups under 55, the drop in participation was greater in the 1986–96 period than that in the 1976–86 period. There has been little research on the long-term decrease in participation rates of men aged 25 to 54, a group that our society views as strongly attached to the labor force.

Unlike men, the labor force participation rates of women have been increasing across age groups, with a few exceptions for young and older women in one of the two periods. For example, the labor force participation rates of women ages 20 to 24 increased 3.4 percentage points between 1976 and 1986, before falling by 1.1 points between 1986 and 1996. Also, the labor force participation rates of women 65 and older decreased in the 1976–86 period, but increased in the later period, more than offsetting the decrease. Women aged 25 to 34 increased their participation rates sharply during the earlier period, by 7.7 points, however, the increase in the 1986–96 period was less than half that increase. The group of women who increased their participation the most during the 1976–86 period were aged 35 to 44; their participation increased almost 10 percentage points. Interestingly, the same group of women displayed the greatest increase in participation in the

1986–96 period, when they were aged 45 to 54. Women aged 35 to 54 in 1976 have also increased their labor force participation rates markedly over the past two decades.

Race and Hispanic origin. Differences in labor force participation by race and Hispanic origin are usually not as great as that observed for age and sex. However, changes in labor force rates over time differ among the groups. When participation rate changes are combined with different patterns of population growth, substantial differences in the future labor force result.

The data shown in the lower part of table 4 indicate the variation in labor force participation by race. However, the pattern is complex, as shown in the following tabulation. The groups are ranked in terms of their labor force participation rates (1 is highest labor force participation; 4 is lowest):

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

First, the rankings by race and by sex are different. Hispanic men have the highest labor force participation rates, Hispanic women, the lowest. The composite effect is that Hispanics have the second highest rate of labor force participation. For blacks, the situation by gender is reversed as men have the lowest participation rate and women, the highest. Blacks have the lowest overall rate of labor force participation.

Table 5. Comparison of the labor force participation rates and the age composition of Hispanic and white non-Hispanic men, 1996

[In percent]

Age	Labor force participation rate			Population composition by age		
	Hispanic	White, non-Hispanic	Difference	Hispanic	White, non-Hispanic	Difference
16 and 17	32.2	48.1	15.9	5.0	3.6	-1.4
18 and 19	67.1	69.1	2.0	5.3	3.4	-1.9
20 and 21	82.0	78.6	-3.5	5.3	2.9	-2.4
22 to 24	88.0	88.3	.3	8.4	5.0	-3.4
25 to 29	93.2	94.1	.9	13.6	8.7	-4.8
30 to 34	93.2	94.9	1.7	14.5	10.4	-4.1
35 to 39	92.6	94.0	1.4	12.6	11.4	-1.2
40 to 44	90.5	93.6	3.2	9.7	10.4	.7
45 to 49	88.0	92.7	4.7	6.6	9.6	3.0
50 to 54	85.7	88.1	2.4	4.9	7.6	2.7
55 to 59	78.4	80.4	2.0	4.1	5.8	1.7
60 and 61	61.5	67.2	5.7	1.3	2.1	.8
62 to 64	43.8	47.1	3.3	2.0	3.2	1.2
65 to 69	27.5	27.7	.2	2.8	5.3	2.5
70 to 74	11.3	16.4	5.0	1.7	4.5	2.8
75 and over	6.4	8.6	2.1	2.0	5.9	3.9

Table 6. Comparison of the labor force participation rates and the age composition of black and white non-Hispanic women, 1996

[percent]

Age	Labor force participation rate			Population composition by age		
	Black	White, non-Hispanic	Difference	Black	White, non-Hispanic	Difference
16 and 17	29.9	50.0	20.1	4.7	3.2	-1.5
18 and 19	48.3	66.3	17.9	4.5	3.1	-1.4
20 and 21	58.3	71.6	13.3	4.2	2.8	-1.4
22 to 24	69.9	78.7	8.9	6.3	4.7	-1.6
25 to 29	74.8	78.8	3.9	10.9	8.3	-2.6
30 to 34	76.8	77.0	.2	11.6	9.8	-1.8
35 to 39	78.7	77.9	-.8	11.7	10.7	-1.0
40 to 44	77.7	80.3	2.6	10.4	9.8	-.5
45 to 49	75.2	80.4	5.3	8.5	9.2	.7
50 to 54	67.4	73.2	5.8	5.9	7.3	1.4
55 to 59	58.4	62.0	3.6	4.9	5.7	.8
60 and 61	40.8	47.7	6.8	1.9	2.1	.2
62 to 64	28.8	33.6	4.7	2.4	3.2	.9
65 to 69	13.7	17.8	4.1	3.9	5.7	1.9
70 to 74	7.7	8.6	.9	3.1	5.3	2.2
75 and over	3.2	3.3	.0	5.2	9.0	3.9

The high labor force participation rate for Hispanic males, in part, reflects their age structure. Hispanics have a younger population with a greater proportion at the ages of higher labor force participation. As table 5 shows, the rates for white non-Hispanic white men are higher for all age groups except at ages 20 and 21. The table also shows that Hispanic men have proportionally more young men. Given that Hispanic women are also younger than the other groups, their lower overall labor force participation rate reflects lower participation at most age groups.

The high labor force participation rates for black women also reflect their age structure. Relative to white non-Hispanic women, the group of women with the second highest labor force participation (table 6), black women have lower participation rates at every age. However, they have a younger population. That is, more of their population is concentrated in age groups with high participation.

These examples indicate that age, sex, and race are important in describing the variations in labor force participation. However, the previous discussion focused on 1996. Overall labor force participation has been changing differently for these groups as well. The following tabulation ranks the groups by the percentage point change over the 1986–96 period:

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

For the totals by group, the relative rankings of blacks and of Asians and others shifted. The labor force participation of all four groups of men dropped, but those for white non-Hispanic men dropped the least. Other than this change of place with Hispanic men, the rankings for men did not change. The rankings of women’s change in participation did not seem to be as related to their rankings of participation levels. The labor force participation of white non-Hispanic women grew more than that for black women. Hispanic women, who have lower overall participation than Asian and other women, had a greater increase in participation.

Projected rate changes

The labor force participation rate is projected to rise by less than a percentage point between 1996 and 2006. The increases in the participation rates are expected to be greatest for the 45- to 54-age group, made up of the baby-boom generation. As in 1996, however, the ages of peak labor force participation should be 35 to 44. Thus, the baby-boom generation’s aging by itself would act to lower overall participation. For both sexes combined, labor force rates are projected to increase for all groups over age 25. For the youth, labor force participation is expected to drop sharply at ages 20 to 24.

The overall labor force participation rate of men is projected to drop by 1.3 percentage points, as it did in each of the past two decades. This constant change is fortuitous because the overall rate is a summary of the changes in the age composition of the population and changes in labor force participation for each age as well as the increased race and Hispanic diversity of the male population. For each of the three 10-year

periods analyzed, the pattern of labor force change by age is different. For men younger than age 45, labor force participation is projected to drop, while for men in the 45 and older group, those aged 55 to 64, are projected to have the greatest increase.⁶ The decrease in labor force participation for men aged 20 to 24 is projected to accelerate, continuing recent trends. For all other groups with declining participation over the 1986–96 period, the amount of decrease is expected to be less.

The increase in the labor force participation rate of women in the past has displayed a pattern of slower increases in the more recent period. For the 1996–2006 period, labor force participation rate growth is projected to continue slowing. Except for teenagers, all age groups of women are expected to increase their presence in the labor force. Those aged 45 to 64 in 2006 are the same cohort that had the greatest increase in labor force participation in the past—25 to 44 in 1976–86 and 35 to 54 in 1986–96—are expected again to have the greatest increase in the future. The older part of the group, those 55 to 64 in 2006, will be past the years of peak labor force participation and their labor force rate will decline to 56 percent from 75 percent in 1996 (although showing an increase in participation of 6 points from persons that age in 1996).

The rankings of labor force participation by race or Hispanic groups in 2006 are expected to be the same as in 1996, except for black women, whose participation rates are projected to be lower than white non-Hispanic women's rates—a result of the aging black population. The overall labor force participation rate of black men is projected to increase, also an artifact of their age distribution. For all age groups of blacks except 70 to 74, labor force participation rates are projected to drop.

The overall participation of Hispanic women is projected to increase significantly, by 3.8 percentage points, but not enough to be higher than that of the Asian and other women in 2006. Again, white non-Hispanic women are expected to increase their labor force participation rates the most, though not as much as over the 1986–96 period.

Historical changes in the labor force

Labor force growth over the 1986–96 period was significantly slower than the rate of growth over the 1976–86 period, when larger numbers of the baby boomers caused rapid rates of labor force growth and large absolute growth. The labor force grew by 22 million between 1976 and 1986, compared with 16 million over the 1986–96 period (table 7). The male labor force, because of the entry of the baby-boom generation, grew by 14 percent over the earlier period. This rate dropped to 10 percent between 1986 and 1996. Women increased their numbers by almost one-third over the 10-year period 1976–86. This growth rate was cut in half over the latter period.

Age. Labor force changes by age over the 1976–96 period were largely influenced by the baby-boomers and the birth dearth group of the thirties. Between 1976 and 1986, the baby boomers were in the age groups that grew rapidly. Those aged 25 to 34 increased by 10 million and those 35 to 44, by 9.9 million. For the next decade, the two groups with the greatest change were aged 35 to 44 and 45 to 54, with 9.3 million and 8.6 million added workers. Growth of the labor force by the baby boomers was affected not just by population growth, but by growth in the labor force participation rate for women.

By contrast, the age group 45 to 54 barely grew during the 1976–86 period; over the next 10 years, the 55 to 64 group added few members. The modest changes reflect the passage of the birth dearth generation. The labor force participation rates of this cohort increased, offsetting population decreases.

Sex. Labor force growth for men was less than that for women in both the 1976–86 and 1986–1996 periods whether measured by numbers of persons or rates of change. Although population growth for both sexes was similar, labor force participation rates for men declined, and increased for women.

In contrast to the general pattern, labor force participation rates of young women, 16 to 24 years of age dropped over the 1986–96 period. Because the population of women that age also dropped, the labor force dropped sharply. The labor force of young women dropped slightly more than that for young men (10 percent, versus 9 percent). For all other groups of women, activity rates increased and, except for the birth dearth group, so did population.

Race and Hispanic origin. White non-Hispanics were the largest group in the labor force in 1986, accounting for 80 percent of the total. However, from 1986 to 1996, this group had the lowest growth rate, 0.7 percent a year, among the groups analyzed. The smallest group, Asians and others had the fastest growth rate. Interestingly, growth rates were inversely related to ranking by size, and the rankings were the same for men and women. Asian and other women and men each were the fastest growing labor force group over the 1986–96 period. All minority groups increased their share of the labor force. Hispanics increased from 7 percent to 9.5 percent, Asian and others increased their share from 3 percent to 4.3 percent. Blacks, whose growth rate was .5 percentage point greater than the overall labor force growth rate, increased their share from 10.7 percent to 11.3 percent. The remaining group, white non-Hispanic, decreased their share of the labor force from 80 percent to 75 percent. The pattern of labor force growth rates is more reflective of changes in the population than the changes in labor force participation rates, which grew most rapidly for white non-Hispanics than other groups.

Table 7. Civilian labor force by sex, age, race, and Hispanic origin, 1976, 1986, 1996, and projected 2006

[Numbers in thousands]

Group	Level				Change			Percent change			Percent distribution				Annual growth rate (percent)		
	1976	1986	1996	2006	1976-86	1986-96	1996-2006	1976-86	1986-96	1996-2006	1976	1986	1996	2006	1976-86	1986-96	1996-2006
Total, 16 years and over	96,158	117,834	133,943	148,847	21,676	16,109	14,904	22.5	13.7	11.1	100.0	100.0	100.0	100.0	2.1	1.3	1.1
16 to 24	23,340	23,367	21,183	24,418	27	-2,184	3,236	.1	-9.3	15.3	24.3	19.8	15.8	16.4	.0	-1.0	1.4
16 to 19	9,056	7,926	7,806	8,924	-1,130	-120	1,118	-12.5	-1.5	14.3	9.4	6.7	5.8	6.0	-1.3	-2	1.3
20 to 24	14,284	15,441	13,377	15,494	1,157	-2,064	2,117	8.1	-13.4	15.8	14.9	13.1	10.0	10.4	.8	-1.4	1.5
25 to 54	58,502	79,563	96,786	101,454	21,061	17,223	4,668	36.0	21.6	4.8	60.8	67.5	72.3	68.2	3.1	2.0	.5
25 to 34	24,203	34,591	33,833	30,842	10,388	-758	-2,992	42.9	-2.2	-8.8	25.2	29.4	25.3	20.7	3.6	-2	-9
35 to 44	17,317	27,232	36,556	35,455	9,915	9,324	-1,101	57.3	34.2	-3.0	18.0	23.1	27.3	23.8	4.6	3.0	-3
45 to 54	16,982	17,739	26,397	35,157	757	8,658	8,760	4.5	48.8	33.2	17.7	15.1	19.7	23.6	.4	4.1	2.9
55 and over .	14,317	14,904	15,974	22,974	587	1,070	6,999	4.1	7.2	43.8	14.9	12.6	11.9	15.4	.4	.7	3.7
55 to 64	11,422	11,894	12,146	18,753	472	252	6,607	4.1	2.1	54.4	11.9	10.1	9.1	12.6	.4	.2	4.4
65 and over .	2,895	3,010	3,828	4,221	115	818	393	4.0	27.2	10.3	3.0	2.6	2.9	2.8	.4	2.4	1.0
65 to 74	2,472	2,594	3,194	3,300	122	600	106	4.9	23.1	3.3	2.6	2.2	2.4	2.2	.5	2.1	.3
75 and over	425	417	634	921	-8	217	286	-1.9	52.1	45.1	.4	.4	.5	.6	-2	4.3	3.8
Men, 16 years and over	57,174	65,422	72,087	78,226	8,248	6,665	6,139	14.4	10.2	8.5	59.5	55.5	53.8	52.6	1.4	1.0	.8
16 to 24	12,752	12,250	11,147	12,848	-502	-1,103	1,701	-3.9	-9.0	15.3	13.3	10.4	8.3	8.6	-4	-9	1.4
16 to 19	4,886	4,102	4,043	4,551	-784	-59	508	-16.0	-1.4	12.6	5.1	3.5	3.0	3.1	-1.7	-1	1.2
20 to 24	7,866	8,148	7,104	8,297	282	-1,044	1,193	3.6	-12.8	16.8	8.2	6.9	5.3	5.6	.4	-1.4	1.6
25 to 54	35,578	44,406	51,999	52,908	8,828	7,593	909	24.8	17.1	1.7	37.0	37.7	38.8	35.5	2.2	1.6	.2
25 to 34	14,784	19,383	18,431	16,469	4,599	-952	-1,962	31.1	-4.9	-10.6	15.4	16.4	13.8	11.1	2.7	-5	-1.1
35 to 44	10,500	15,029	19,602	18,478	4,529	4,573	-1,124	43.1	30.4	-5.7	10.9	12.8	14.6	12.4	3.7	2.7	-6
45 to 54	10,293	9,994	13,967	17,961	-299	3,973	3,994	-2.9	39.8	28.6	10.7	8.5	10.4	12.1	-3	3.4	2.5
55 and over .	8,846	8,765	8,941	12,470	-81	176	3,529	-9	2.0	39.5	9.2	7.4	6.7	8.4	-1	.2	3.4
55 to 64	7,020	6,954	6,693	9,919	-66	-261	3,226	-9	-3.7	48.2	7.3	5.9	5.0	6.7	-1	-4	4.0
65 and over .	1,826	1,811	2,247	2,551	-15	436	304	-8	24.1	13.5	1.9	1.5	1.7	1.7	-1	2.2	1.3
65 to 74	1,544	1,552	1,872	1,999	8	320	127	.5	20.6	6.8	1.6	1.3	1.4	1.3	.1	1.9	.7
75 and over .	282	260	375	552	-22	115	177	-7.8	44.1	47.2	.3	.2	.3	.4	-8	3.7	3.9
Women, 16 years and over	38,983	52,413	61,857	70,620	13,430	9,444	8,764	34.5	18.0	14.2	40.5	44.5	46.2	47.4	3.0	1.7	1.3
16 to 24	10,588	11,117	10,036	11,570	529	-1,081	1,534	5.0	-9.7	15.3	11.0	9.4	7.5	7.8	.5	-1.0	1.4
16 to 19	4,170	3,824	3,763	4,373	-346	-61	610	-8.3	-1.6	16.2	4.3	3.2	2.8	2.9	-9	-2	1.5
20 to 24	6,418	7,293	6,273	7,197	875	-1,020	924	13.6	-14.0	14.7	6.7	6.2	4.7	4.8	1.3	-1.5	1.4
25 to 54	22,924	35,158	44,787	48,546	12,234	9,629	3,759	53.4	27.4	8.4	23.8	29.8	33.4	32.6	4.4	2.5	.8
25 to 34	9,419	15,208	15,403	14,373	5,789	195	-1,030	61.5	1.3	-6.7	9.8	12.9	11.5	9.7	4.9	.1	-7
35 to 44	6,817	12,204	16,954	16,977	5,387	4,750	23	79.0	38.9	.1	7.1	10.4	12.7	11.4	6.0	3.3	.0
45 to 54	6,689	7,746	12,430	17,196	1,057	4,684	4,766	15.8	60.5	38.3	7.0	6.6	9.3	11.6	1.5	4.8	3.3
55 and over .	5,471	6,139	7,033	10,504	668	894	3,471	12.2	14.6	49.3	5.7	5.2	5.3	7.1	1.2	1.4	4.1
55 to 64	4,402	4,940	5,452	8,834	538	512	3,382	12.2	10.4	62.0	4.6	4.2	4.1	5.9	1.2	1.0	4.9
65 and over .	1,069	1,199	1,581	1,670	130	382	89	12.2	31.9	5.6	1.1	1.0	1.2	1.1	1.2	2.8	.5
65 to 74	928	1,042	1,321	1,301	114	279	-20	12.3	26.8	-1.5	1.0	.9	1.0	.9	1.2	2.4	-2
75 and over .	142	157	260	369	15	103	110	10.6	65.4	42.2	.1	.1	.2	.2	1.0	5.2	3.6
White	84,767	101,801	113,108	123,581	17,034	11,307	10,473	20.1	11.1	9.3	88.2	86.4	84.4	83.0	1.8	1.1	.9
Men	51,033	57,217	61,783	66,008	6,184	4,566	4,225	12.1	8.0	6.8	53.1	48.6	46.1	44.3	1.2	.8	.7
Women	33,735	44,584	51,325	57,572	10,849	6,741	6,248	32.2	15.1	12.2	35.1	37.8	38.3	38.7	2.8	1.4	1.2
Black, 16 years and over	9,561	12,654	15,134	17,225	3,093	2,480	2,091	32.4	19.6	13.8	9.9	10.7	11.3	11.6	2.8	1.8	1.3
Men	5,101	6,373	7,264	7,996	1,272	891	732	24.9	14.0	10.1	5.3	5.4	5.4	5.4	2.3	1.3	1.0
Women	4,460	6,281	7,869	9,229	1,821	1,588	1,360	40.8	25.3	17.3	4.6	5.3	5.9	6.2	3.5	2.3	1.6

Table 7. Continued—Civilian labor force by sex, age, race, and Hispanic origin, 1976, 1986, 1996, and projected 2006

[Numbers in thousands]

Group	Level				Change			Percent change			Percent distribution				Annual growth rate (percent)		
	1976	1986	1996	2006	1976–86	1986–96	1996–2006	1976–86	1986–96	1996–2006	1976	1986	1996	2006	1976–86	1986–96	1996–2006
Asian and other, 16 years and over ¹	1,822	3,371	5,703	8,041	1,549	2,332	2,338	85.0	69.2	41.0	1.9	2.9	4.3	5.4	6.3	5.4	3.5
Men	1,037	1,825	3,039	4,222	788	1,214	1,183	76.0	66.5	38.9	1.1	1.5	2.3	2.8	5.8	5.2	3.3
Women	785	1,546	2,664	3,818	761	1,118	1,155	96.9	72.3	43.4	.8	1.3	2.0	2.6	7.0	5.6	3.7
Hispanic, origin, 16 years and over ² .....	...	8,076	12,774	17,401	...	4,698	4,627	...	58.2	36.2	...	6.9	9.5	11.7	...	4.7	3.1
Men .....	...	4,948	7,646	10,235	...	2,698	2,589	...	54.5	33.9	...	4.2	5.7	6.9	...	4.4	3.0
Women .....	...	3,128	5,128	7,166	...	2,000	2,038	...	63.9	39.8	...	2.7	3.8	4.8	...	5.1	3.4
Other than Hispanic origin, 16 years and over ² .....	...	109,758	121,169	131,446	...	11,411	10,276	...	10.4	8.5	...	93.1	90.5	88.3	...	1.0	.8
Men .....	...	60,474	64,441	67,991	...	3,967	3,550	...	6.6	5.5	...	51.3	48.1	45.7	...	.6	.5
Women .....	...	49,285	56,729	63,454	...	7,444	6,725	...	15.1	11.9	...	41.8	42.4	42.6	...	1.4	1.1
White non-Hispanic, 16 and over .....	...	94,026	100,915	108,166	...	6,890	7,251	...	7.3	7.2	...	79.8	75.3	72.7	...	.7	.7
Men .....	...	52,442	54,451	56,856	...	2,009	2,405	...	3.8	4.4	...	44.5	40.7	38.2	...	.4	.4
Women .....	...	41,583	46,464	51,310	...	4,881	4,846	...	11.7	10.4	...	35.3	34.7	34.5	...	1.1	1.0

¹ The "Asian and other" group includes (1) Asians and Pacific Islanders and (2) American Indians and Alaska Natives. The historical data are derived by subtracting "black" from the "black and other" group; projections are made di-

rectly, not by subtraction.

² Data by Hispanic origin are not available before 1980.

Projected changes in the labor force

With population expected to continue increasing at a slower rate, the labor force also is projected to grow more slowly over the 1996–2006 period than it did over the 1986 to 1996 period.⁷ The labor force itself will change in composition as well, as various age, race or Hispanic groups, and men and women will experience change at different rates.

Age. The youth labor force (aged 16 to 24) is projected to increase by 3.2 million, reversing the drop of the earlier period. The 2006 youth labor force is projected to be larger than those in 1976, 1986, and 1996. For the labor force aged 25 to 54, the story is different. The projected increase of 4.7 million is about a fourth of the 1986–96 period. Those aged 25 to 34, whose number decreased over the 1986–96 period by three quarters of a million are projected to drop a further 3 million. The 35- to 44-age group, which increased by 9.3 million over the 1986–96 period, is projected to drop by 1.1 million. Only the 45- to 54-age group is expected to increase in size; but even this group, made up of the younger members of the baby-boom generation, is expected to increase at a much slower rate than earlier. The smaller, younger age groups are those following the baby-boom generation.

The labor force of older workers—identified as having the

fastest rates of population growth and the greatest increases in labor force participation—is expected to grow by 7 million. Within that group, the 55 to 64 group is expected to add 6.6 million. Although the population of the 65- to 74-age group (the birth dearth of the thirties) is projected to drop, this cohort is expected to increase their labor force size due to rising labor force participation rates.

Sex. The labor force of men is projected to grow by .8 percent annually, while that of women is expected to grow by 1.3 percent. These represent slowing from the 1986–96 period, because population is expected to grow more slowly and because women's labor force participation rates are expected to increase more slowly. Women's share of the labor force is projected to increase from 46 percent to 47 percent.

Race and Hispanic origin. The Hispanic population has been growing and is expected to continue to grow faster than the black population, as a result, the Hispanic labor force will eventually be larger than the black labor force. The current projection indicates that this will occur in 2006. Given that projections have errors and the possibility that the method for enumerating race and Hispanic origin could change, the specificity of the year should be viewed with caution.⁸ How-

ever, by the middle of the next decade, the Hispanic labor force should exceed that of blacks.

The Asian and other group's population is also growing rapidly. However, they are expected to remain the smallest of the four labor force groups well beyond 2006. Similarly, the white non-Hispanic group, which is growing slowly, will remain the largest group. They made up 80 percent of the labor force in 1986; their 2006 share is expected to be 73 percent. Their 2006 labor force would be 14 million larger than that in 1986. The remaining three groups are expected to add 7 million persons to the labor force over the same period. White non-Hispanics will remain by far the largest group of the labor force for years after 2006.

Dynamics

From 1996 and 2006, the dynamics of the labor force change emerge from three distinct groups: *entrants*; those who will be in the labor force in 2006, but who were not in it in 1996; *leavers*, those who will exit the labor force after 1996 and before 2006; and *stayers*, those who were in the labor force in 1996 and will remain through 2006.⁹ To the extent that the demographic composition of labor force entrants between 1996 and 2006 is different from the composition of those now in the labor force, the 2006 labor force will be different from today's labor force. But the labor force also is affected by the demographic composition of those leaving. Thus, the labor

Table 8. Civilian labor force, 1986 and 1996, and projected 2006, and entrants and leavers, actual 1986-96 and projected, 1996-2006

Group	1986	1986-96			1996	1996-2006			2006
		Entrants	Leavers	Stayers		Entrants	Leavers	Stayers	
Numbers									
Total	117,834	34,564	18,455	99,380	133,944	39,670	24,768	109,176	148,847
Men	65,422	18,016	11,352	54,071	72,087	19,978	13,839	58,248	78,226
Women	52,412	16,548	7,103	45,309	61,857	19,692	10,929	50,928	70,620
White non-Hispanic	94,026	22,229	15,339	78,686	100,915	24,214	16,963	83,952	108,166
Men	52,442	11,601	9,592	42,851	54,451	12,132	9,728	44,724	56,856
Women	41,583	10,628	5,748	35,836	46,464	12,082	7,236	39,228	51,310
Black non-Hispanic	12,483	4,295	1,983	10,501	14,795	6,191	5,003	9,792	15,983
Men	6,279	1,895	1,083	5,196	7,091	2,807	2,550	4,541	7,347
Women	6,204	2,400	900	5,304	7,704	3,384	2,453	5,251	8,636
Hispanic origin	8,076	5,478	780	7,296	12,774	5,920	1,293	11,481	17,401
Men	4,948	3,211	513	4,435	7,646	3,365	776	6,870	10,235
Women	3,128	2,267	267	2,861	5,128	2,555	516	4,611	7,166
Asian and other, non-									
Hispanic	3,249	2,562	352	2,897	5,459	3,346	1,508	3,951	7,296
Men	1,753	1,310	164	1,589	2,899	1,674	785	2,114	3,788
Women	1,496	1,253	188	1,308	2,561	1,671	724	1,837	3,508
Share [percent]									
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Men	55.5	52.1	61.5	54.4	53.8	50.4	55.9	53.4	52.6
Women	44.5	47.9	38.5	45.6	46.2	49.6	44.1	46.6	47.4
White non-Hispanic	79.8	64.3	83.1	79.2	75.3	61.0	68.5	76.9	72.7
Men	44.5	33.6	52.0	43.1	40.7	30.6	39.3	41.0	38.2
Women	35.3	30.7	31.1	36.1	34.7	30.5	29.2	35.9	34.5
Black non-Hispanic	10.6	12.4	10.7	10.6	11.0	15.6	20.2	9.0	10.7
Men	5.3	5.5	5.9	5.2	5.3	7.1	10.3	4.2	4.9
Women	5.3	6.9	4.9	5.3	5.8	8.5	9.9	4.8	5.8
Hispanic origin	6.9	15.8	4.2	7.3	9.5	14.9	5.2	10.5	11.7
Men	4.2	9.3	2.8	4.5	5.7	8.5	3.1	6.3	6.9
Women	2.7	6.6	1.4	2.9	3.8	6.4	2.1	4.2	4.8
Asian and other, non-									
Hispanic	2.8	7.4	1.9	2.9	4.1	8.4	6.1	3.6	4.9
Men	1.5	3.8	.9	1.6	2.2	4.2	3.2	1.9	2.5
Women	1.3	3.6	1.0	1.3	1.9	4.2	2.9	1.7	2.4

force of 2006 may be regarded as consisting of the labor force of 1996, plus the entrants, less the leavers.

BLS projects that between 1996 and 2006, 40 million workers will enter the labor force and 25 million will leave. (See table 8.) These figures compare with 34.6 million entrants and 18.4 million leavers over the 1986–96 period. The entrants are projected to be almost equally women and men. In the earlier period, entrants were more likely to be men. The leavers are more likely to be men, because the male labor force is older than that of women, but the vast difference in share exhibited for the 1986–96 period is projected to narrow somewhat.

According to these projections, by 2006, 20 million men will have joined the 1996 labor force of 72.1 million, and 13.8 million men will have left the labor force, resulting in a labor force of 78.2 million men in 2006. Similarly, 19.7 million women are expected to enter the labor force over the period 1996–2006, while 10.9 million women are projected to leave. The relatively fewer women leaving the labor force would raise their share of the labor force from 46.2 percent in 1996 to 47.4 percent in 2006.

BLS is projecting that the number of entrants over the 1996–2006 period will be larger than the 34.6 million who entered during the 1986–96 period. The number projected to leave the labor force is expected to increase by 34 percent. Slightly more men than women entered the labor force, 52 percent compared with 48 percent, in the 1986–96 period. In the 1996–2006 period, women and men are expected enter in nearly equal numbers.

Race and Hispanic origin. The largest share of the 1996 labor force—75 percent—was made up of non-Hispanic whites. Three-fifths of the population expected to enter the labor force between 1996 and 2006 are projected to be non-Hispanic whites, less than their share over the 1986–96 period. These proportions are smaller than their share of the work force, reflecting this group's lower population growth. As a result of the 24.2 million non-Hispanic whites entering the labor force, and the 17.0 million leaving over the 1996–2006 period, the share of non-Hispanic whites in the labor force is projected to be 73 percent in 2006—a drop of 3 percentage points and down 7 percentage points from 1986. In the 1986–96 period, white non-Hispanic men supplied the most entrants; 34 percent. More striking, they supplied most of those leaving; 52 percent.

The labor force of white non-Hispanics is projected to grow 0.7 percent per year, slower than the overall labor force. The slower growth reflects little migration of this demographic group to the United States and lower birth rates in the past, compared with other population groups. This results in relatively fewer labor force entrants and relatively more labor force leavers, a reflection of the aging of the white male labor force. White non-Hispanic women are projected to increase

their participation more than any other group, but this faster growth rate is not enough to offset the slow growth in the non-Hispanic population of only 0.6 percent yearly. White non-Hispanic men are projected to have the least drop in labor force participation of any group of men.

Blacks, the second largest group in the 1996 labor force, made up 11.0 percent of the labor force. (This number reflects an adjustment, placing Hispanic blacks with Hispanics rather than with non-Hispanic blacks.) Blacks are projected to add 6.2 million workers to the labor force between 1996 and 2006—16 percent of all new entrants during the period. This is more than the number that entered between 1986 and 1996. With the 5.0 million black non-Hispanics projected to leave the labor force over the period, the group will increase in number, and by 2006, their share of the labor force is expected to be 10.7 percent, down from 11.0 in 1996. The black labor force is projected to grow slightly faster than the overall labor force because of their higher than average population growth resulting from higher than average birth rates and immigration.

In 1996, Hispanics (of all races) were the third largest labor force group, with 12.8 million workers representing 9.5 percent of the labor force. Because of their higher levels of immigration, some 5.9 million Hispanics are projected to enter the labor force during the 1996–2006 period. Only 1.2 million Hispanics are projected to leave the labor force (reflecting their relatively young age composition), so the number of Hispanics in the labor force is projected to grow by more than 4.6 million. By 2006, the Hispanic labor force is projected to be greater than the black non-Hispanic labor force.¹⁰ The Hispanic labor force is projected to grow 3.1 percent annually, increasing to 17.4 million persons in 2006. 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 higher births and increased immigration—and because of increases in the participation rate of Hispanic women.

Currently, the smallest racial group in the labor force is Asian and other. About 3.3 million members of this group will enter the labor force during the 1996–2006 period, about the size of its 1986 labor force. Because relatively fewer workers of this group are projected to leave the labor force over the period, the group is projected to increase by 41 percent. The number of Asians and others in the labor force is projected to grow 3.5 percent annually. Increases in the number of Asians and others in the labor force reflect their continued high immigration. Decreases in labor force participation by men offset a portion of the increase.

Implications of the aging labor force

Median age. The age of the labor force can be measured in various ways; one is median age. As the baby-boom genera-

tion entered the labor force, the median age of the labor force decreased; once in the labor force, this large group can only age, so the median age has been rising. The median age of the labor force was 40.5 years in 1962, (the highest level attained before the baby boomers entered the labor force), it dropped steadily until 1980, and since then, it has been rising. With the population projected to continue aging as rapidly as in the past, the median age of the labor force in 2006 is projected to just exceed the level reached in 1962. (See table 9.)

For much of the 1962–96 period, the male labor force has been older than the female labor force. This age difference reflected a pattern of women entering the labor force, then leaving for a period after childbirth. The ages of the male and female labor force are projected to diverge, reflecting the higher participation of older women, the slowing in participation of younger women, and the withdrawal of older men from the labor force.

Historically, white participants in the labor force have been older than the rest of the labor force. This is projected to continue, with the difference reaching 0.6 year in 2006. Compared with the whites, black and Hispanic groups are younger, reflecting their higher birth rates, and as a result, youth claim a somewhat larger share of their respective populations. Black participants in the labor force have been about 1.5 years to 2.5 years younger than the overall labor force; this age gap is projected to continue to 2006. The group of Asians and other participants in the labor force have been slightly younger than the overall labor force, but by 1996, this group was more than 1 year younger. This is expected to continue by 2006. Hispanic participants generally have been younger, due to their higher fertility rate. This group is projected to continue hav-

Table 9. Median ages of the labor force, by sex, race, and Hispanic origin, selected historical years and projected 2006

Group	1962	1966	1976	1986	1996	2006
Total	40.5	40.3	35.3	35.3	38.2	40.6
Men	40.5	40.4	36.0	35.6	38.2	40.5
Women	40.4	40.1	34.4	34.9	38.2	40.8
White	40.9	40.3	35.6	35.5	42.5	41.2
Black ¹	38.3	31.2	33.1	33.8	36.3	38.2
Asian and other ²	(³)	(³)	32.4	35.5	36.9	38.4
Hispanic origin ⁴	(⁵)	(⁵)	(⁵)	32.6	34.1	36.4

¹ For 1962 and 1966 data are for black and other.
² The "Asian and other" group includes Asians and Pacific Islanders and American Indians and Alaskan Natives. The historic data are derived by subtracting "Black" from the "Black and other" group; projections are made directly.
³ Data for Asian and other are not available before 1972.
⁴ Persons of Hispanic origin may be of any race.
⁵ Data for Hispanic origin are not available before 1980.

ing a lower median age than the overall labor force, but it is projected to age from a median of 34.1 years in 1996 to 36.4 years in 2006, reflecting the aging of earlier immigrants. The median age of all race and Hispanic groups is expected to increase between 1996 and 2006.

Age composition. There are other ways to look at the age structure of the labor force. For example, if the labor force is aging, the proportion of those 65 and older in the labor force would be increasing and the proportion of those under 25 would be decreasing. Table 10 presents such information for

Table 10. Distribution of the population and labor force by age and sex, 1976, 1986, 1996, and projected 2006

Group	Population				Labor force			
	1976	1986	1996	2006	1976	1986	1996	2006
Total, 16 years and over	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
16 to 24	22.9	18.9	16.1	17.2	24.3	19.8	15.8	16.4
25 to 39	28.0	33.2	31.2	25.4	34.4	42.4	39.4	32.0
40 and over	49.1	47.9	52.7	57.4	41.3	37.8	44.8	51.6
65 and over	14.1	15.2	15.8	15.2	3.0	2.6	2.9	2.8
75 and over	5.2	5.8	6.7	7.0	.4	.4	.5	.6
Men, 16 years and over	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
16 to 24	23.7	19.5	16.8	18.4	22.3	18.7	15.5	16.4
25 to 39	28.7	34.3	32.0	26.0	35.3	42.6	39.7	32.4
40 and over	47.6	46.2	51.2	55.7	42.4	38.7	44.8	51.2
65 and over	12.3	13.2	13.9	13.5	3.2	2.8	3.1	3.3
75 and over	4.1	4.5	5.3	5.6	.5	.4	.5	.7
Women, 16 years and over	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
16 to 24	22.1	18.2	15.5	16.2	27.2	21.2	16.2	16.4
25 to 39	27.3	32.3	30.5	24.9	33.1	42.1	38.9	31.7
40 and over	50.5	49.5	54.1	58.9	39.7	36.7	44.8	52.0
65 and over	15.8	17.0	17.7	16.8	2.7	2.3	2.6	2.4
75 and over	6.2	7.0	8.0	8.3	.4	.3	.4	.5

the population and labor force aged 16 and older, by sex.

From 1976 to 1986 and to 1996, the proportion of those 65 and older in the population increased, but by 2006, it is expected to decrease slightly. The proportion of persons under 25 (specifically, 16 to 24) decreased between 1986 and 1996. However, the proportion is expected to increase by 2006. The population is getting older, based on the median age, and younger, based on proportions! For each successive decade, the proportion of 25- to 39-year olds has decreased or is expected to decrease.

Looking at the composition of the population by sex, the same general patterns hold. However, the male population has proportionately more youth than the female population, reflecting their higher proportion of births and slightly higher current immigration. Relatively more women are in the older ages. This does not show the relative sizes of women and men's population groups, as does table 2. It only indicates that the women's population is older, that is, it has a greater share of their population in the older ages.

The age structure of the *labor force*, 16 and older is different from that of the *population*, 16 and older. Fewer persons in the labor force are 65 and older. The youth labor force is also a smaller share of the labor force than of the population. Of course, those aged 25 to 64 must be a greater share. However, between 1996 and 2006, the youth share of the labor force is projected to increase. The baby-boom generation may be followed by observing that in 1976, they were in the youth group, but by 1986, the share of the labor force aged 25 to 39 had increased by 8 percentage points. By 2006, this age group's share of the labor force should be less than it was in 1976. In 1996, 45 percent of the labor force was age 40 or older; by 2006, more than half the labor force will be in this age category.

Historically, the female labor force has been young. In 1976, women 16 to 24 were 27 percent of the labor force, greater than the share for men. The share of the female labor force aged 25 and older was thus less. Their share appears to be evenly divided between the age groups 25 to 39 and 40 to 64, as the proportions of women 65 and older in the labor force were comparable to the figures for men. By 1996, these differences had narrowed significantly. However, the differences in share at the older ages had increased and are projected to continue increasing. The proportion of men 65 and older increased between 1986 and 1996 and is projected to increase, while the share for women declined and is expected to continue decreasing.

Economic dependency

In 1987, for the first time ever, more Americans were in the labor force than were not. This status is projected to prevail throughout the entire projection period, with the proportion

of those not working to those who are working reaching a low of 92.5 per 100 workers in 2006. This measure of dependency is the number of those in the total population (including Armed Forces overseas and children) who are not in the labor force per 100 of those who are in the labor force. (See table 11.) For every 100 persons in the 1996 labor force, about 96 were not. Of this group, about 45 were children, 28 were 16 to 64 years of age, and 22 were older than 64.

Upon examining these ratios (the economic dependency ratio), for various age groups, one can see that this drop is attributable to the change in the number of children. As the number of births diminished and the baby boom moved to ages older than 16, the total economic dependency ratio dropped. Most of the 31-percentage point drop for the total population between 1975 and 1996 was because of the decline in the number of births. The portion of the ratio attributed to children is projected to continue dropping, despite somewhat higher fertility. The remainder of the historical drop is attributable to higher labor force participation for women aged 16 to 64. The ratio for the 16- to 64-age group dropped 16 points, from 44.2 in 1975 to 28.0 in 1996. This ratio is projected to increase, reflecting the projected decrease in participation of men and of young women aged 16 to 24.

The part of the dependency ratio that has been steadily increasing is the portion attributable to older persons. In 1975, this was by far the smallest part of the dependency ratio, and by 2006, is expected to still be the smallest proportion. However, between 1975 and 1990, the older persons' dependency ratio grew 1.4 percentage points; it is projected to fall again, to 21.0 older retired persons per 100 workers in 2006—a level below that of 1985. With what we now believe to be the composition of the population after 2006, it is clear that the overall dependency ratio will rise some time after 2010; but it may never reach the levels of 1975.

For much of the open discussion about our aging population, the dependency ratios in table 11 for the 65 and older population has been expressed, not as nonworkers per worker,

Table 11. Economic dependency ratio, 1975–96 and projected 2006, by age

[Per hundred in the labor force]						
Group	1975	1980	1985	1990	1996	2006
Total population ...	126.3	108.9	103.3	98.3	95.5	92.5
Under 16	61.4	50.7	47.3	45.8	45.3	42.4
16 to 64	44.2	37.4	34.2	30.5	28.0	29.1
65 and over	20.7	20.8	21.8	22.1	22.1	21.0
Number of persons in the labor force per those 65 and over not in the labor force	4.8	4.8	4.6	4.5	4.5	4.8

but as workers per nonworker. For the 65 and older population, that number is shown in the last line of the table. It shows remarkable stability over the 1975–2006 period.

THE 2006 LABOR FORCE is expected to have a greater proportion of women and Hispanics than the 1996 labor force.

Between 1996 and 2006, 40 million workers are projected to enter the labor force, 25 million are expected to leave and 109 million workers are expected to remain in the labor force. As a result, the labor force in 2006 would be 149 million, up 15 million from the 1996 level. This represents a rate of growth as slow as the growth experienced in the 1950s. □

Footnotes

¹ 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 Bureau of the Census for the Bureau of Labor Statistics.

² The race and Hispanic origin categories correspond to those promulgated in the Office of Management and Budget Directive No. 15, 1978. These categories are being reviewed by OMB, and a new directive could be issued between the time these projections were completed and their publication. The range of alternatives being considered could change the relative sizes of the black and Hispanic populations and labor forces.

³ The projections presented in this article replace those described by Howard N Fullerton, Jr., in “The 2005 labor force: growing, but slowly,” *Monthly Labor Review*, November 1995, pp. 29–44. BLS routinely reviews and revises its economic and employment projections every 2 years.

⁴ “Population Projections of the United States, by Age, Sex, Race, and Hispanic Origin: 1995 to 2050,” *Current Population Reports*, Series P-25, No. 1130 (Washington, Bureau of the Census, 1995). The population projections are based on estimates derived from the 1990 Census of Population and reflect findings from the 1990 Census of Population. They are not adjusted for the undercount.

⁵ For a recent discussion of migration theories, see Douglas S. Massey, Joaquin Arango, Graeme Hugo, Ali Kouaouci, Adela Pellegrino, and J. Edward Taylor, “Theories of International Migration: A Review and Appraisal,” *Population and Development Review*, September 1993, pp. 431–66.

⁶ The change in the population groups, 69 to 74 and 75 and older cause the

increase in participation for the entire 65 and older group to be less than that for either age group.

⁷ The projected labor force numbers are consistent with the new population controls introduced in the January 1997 Current Population Survey. These new controls had little impact on the size of the aged 16 and older population, but within race groups the change shifted populations from non-Hispanic to Hispanic. For further information, see “Revisions in the Current Population Survey Effective January 1997,” *Employment and Earnings*, February 1997, pp. 3–5.

⁸ For the most recent evaluation of BLS labor force projections, see Howard N Fullerton, Jr., “An evaluation of labor force projections to 1995,” *Monthly Labor Review*, September 1997, pp. 5–9.

⁹ Entrants and leavers are computed by comparing the labor force numbers for birth cohorts at two points in time. If the labor force numbers at the second point are larger, the difference is termed the “entrants.” If the labor force numbers at the second point are smaller, 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. As with measures of geographic mobility, which also do not measure all the changes over a period, we do not call these net entrants and leavers. For a further discussion of the methods, see Howard N Fullerton, Jr., “Measuring Rates Of Labor Force Dynamics,” *Proceedings of the Social Statistics Section*, American Statistical Association, 1993.

¹⁰ In table 8, all racial and Hispanic origin groups have been adjusted to place Hispanics together. This is different than how numbers are presented in the other tables, specifically table 1.