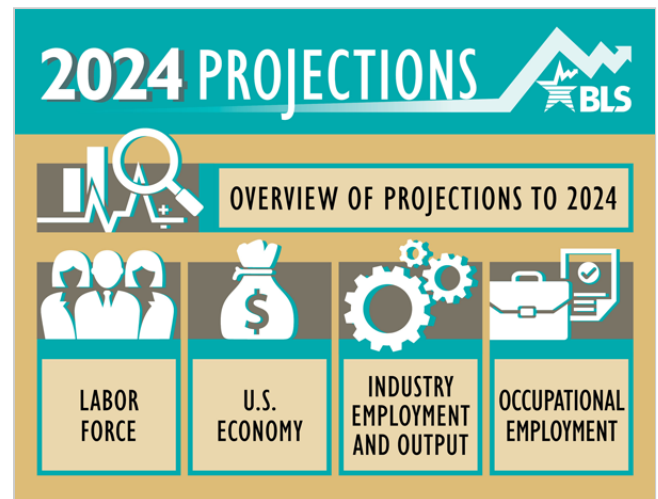# Labor force projections to 2024: the labor force is growing, but slowly

The labor force is projected to grow over the next 10 years at an average annual rate of 0.5 percent, a slower rate than in recent decades. Demographic factors—including slower population growth and the aging of the U.S. population—in addition to the declining labor force participation rate will be responsible for the projected growth of the labor force.

As a result of declining fertility rates and decreasing international migration, the population of the United States is growing more slowly than in previous decades and is also getting older.[1] In addition, the labor force participation rate has been declining as a result of demographic, structural, and cyclical factors after having peaked from 1997 to 2000. Still, even with the decreasing participation rates of the past few years, because population is the single most important factor in determining the size and composition of the labor force, the declining growth of the labor force is more a result of the declining growth rate of the population over the years.

The U.S. labor force—the number of people working or looking for work—is projected to reach 163.8 million in 2024.[2] The labor force is anticipated to grow by 7.9 million, reflecting an average annual growth rate of 0.5 percent, over the 2014–24 period. The growth in the labor force during that timespan is projected to be smaller than in the previous 10-year period, 2004–14, when the labor force grew by 8.5 million, or 0.6 percent, annually, on average. (See table 1.) Two intertwined changes have affected the growth of the labor force over the past several decades: changes in the demographic composition of the population and changing labor market choices.

The projected labor force growth over the 2014–24 period will be affected by the aging of the baby-boom generation, those born between 1946 and 1964. In 2014, the baby boomers were 50 to 68 years old. The leading edge of the baby boomers (those born in 1946) became eligible for early Social Security benefits at age 62 in 2008 and reached full retirement age at 66 in 2012. In 2024, the baby-boom cohort will be ages 60 to 78, and a large number will already have exited the labor force.

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A review of the 2014–24 projected labor force data reveals that certain demographic groups are projected to grow more rapidly than others. Women are expected to see their numbers in the labor force grow more slowly than in 2004–14, but their growth rate will still be faster than that of men. (See table 1.) As a result, the share of women in the labor force is projected to increase from 46.8 percent in 2014 to 47.2 percent in 2024. Over the same period, the number of men in the labor force is projected to grow at an average annual rate of 0.4 percent, a rate slower than that of the previous decade. Men's share of the labor force is expected to decrease from 53.2 percent in 2014 to 52.8 percent in 2024.The labor force will continue to age, with the average annual growth rate of the 55-years-and-older group projected to be 1.8 percent, more than 3 times the rate of growth of the overall labor force. The group's share of the labor force is anticipated to increase from 21.7 percent in 2014 to nearly 25 percent in 2024.

By contrast, the average annual growth rate of 16-to 24-year-olds in the labor force is projected to decline by a significant 1.4 percent. It is expected that, in 2024, the younger age group will constitute 11.3 percent of the labor force, down from its 13.7-percent share in 2014. Prime-age workers—those between the ages of 25 and 54—are projected to have a growth rate of 0.4 percent and are expected to make up nearly 64 percent of the labor force in 2024. During the 2014–24 period, the growth of the labor force will be due entirely to population growth, as the overall labor force participation rate is expected to decrease even further by 2024.

Race and ethnicity groups are projected to continue to show widely different labor force growth rates because of their divergent rates of population growth. Hispanics, Asians, and the "all other groups" racial category are projected to increase their numbers in the labor force most rapidly. By 2024, Hispanics are projected to be nearly one-fifth of the labor force as a result of the fastest population growth of all the race and ethnicity groups. Despite a declining annual growth and a declining share of the workforce, White non-Hispanics will still make up about 60 percent of the labor force in 2024.

Table 1. Civilian labor force, by age, gender, race, and ethnicity, 1994, 2004, 2014, and projected 2024 (numbers in thousands)

Group	Level				Change			Percent change			Percent distribution				Annual growth rate (percent)		
	1994	2004	2014	2024	1994–2004	2004–14	2014–24	1994–2004	2004–14	2014–24	1994	2004	2014	2024	1994–2004	2004–14	2014–24
Total, 16 years and older	131,056	147,401	155,922	163,770	16,345	8,521	7,848	12.5	5.8	5.0	100.0	100.0	100.0	100.0	1.2	0.6	0.5
Age, years:																	
16 to 24	21,612	22,268	21,295	18,498	656	-973	-2,797	3.0	-4.4	-13.1	16.5	15.1	13.7	11.3	.3	-.4	-1.4
25 to 54	93,898	102,122	100,767	104,697	8,224	-1,355	3,930	8.8	-1.3	3.9	71.6	69.3	64.6	63.9	.8	-.1	.4
55 and older	15,547	23,011	33,860	40,575	7,464	10,849	6,715	48.0	47.1	19.8	11.9	15.6	21.7	24.8	4.0	3.9	1.8
Gender:																	
Men	70,817	78,980	82,882	86,524	8,163	3,902	3,642	11.5	4.9	4.4	54.0	53.6	53.2	52.8	1.1	.5	.4
Women	60,239	68,421	73,039	77,246	8,182	4,618	4,207	13.6	6.7	5.8	46.0	46.4	46.8	47.2	1.3	.7	.6
Race:																	
White	111,082	121,086	123,327	126,143	10,004	2,241	2,816	9.0	1.9	2.3	84.8	82.1	79.1	77.0	.9	.2	.2
Black	14,502	16,638	18,873	20,772	2,136	2,235	1,899	14.7	13.4	10.1	11.1	11.3	12.1	12.7	1.4	1.3	1.0
Asian	5,473	6,271	8,760	10,792	798	2,489	2,032	14.6	39.7	23.2	4.2	4.3	5.6	6.6	1.4	3.4	2.1
All other groups[1]	—	3,406	4,961	6,063	—	1,555	1,102	—	45.7	22.2	—	2.3	3.2	3.7	—	3.8	2.0
Ethnicity:																	
Hispanic origin	11,975	19,272	25,370	32,486	7,297	6,098	7,116	60.9	31.6	28.0	9.1	13.1	16.3	19.8	4.9	2.8	2.5
Other than Hispanic origin	119,081	128,129	130,552	131,284	9,048	2,423	732	7.6	1.9	.6	90.9	86.9	83.7	80.2	.7	.2	.1
White non-Hispanic	100,462	103,202	100,661	97,622	2,740	-2,541	-3,039	2.7	-2.5	-3.0	76.7	70.0	64.6	59.6	.3	-.2	-.3
Age of baby boomers	30 to 48	40 to 58	50 to 68	60 to 78													

Notes:

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

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

Source: U.S. Bureau of Labor Statistics.

Background to the projections

Every 2 years, the Bureau of Labor Statistics (BLS) projects labor force levels for the next 10 years. The present set of projections estimates the future size, composition, and growth rate of the labor force over the 2014–24 timeframe. To carry out these projections, labor force participation rates are analyzed and projected for more than 136 different groups, including men and women as well as 17 age groups and 4 race and ethnic groups. The basis of these projections is the past long-term behavior of the labor force participation rate in each of a number of detailed categories, according to data provided by the BLS Current Population Survey (CPS) program.[3]

The labor force projections presented in this article are prepared by combining population projections produced by the U.S. Census Bureau with labor force participation rate projections made by BLS. The Census Bureau population projections by age, gender, and race and ethnic origin are based on trends in birthrates, death rates, and net migration. 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 (population and labor force participation rate); therefore, each of these subjects is discussed separately.

By multiplying the projected labor force participation rates of each group by the Census Bureau's most recent population projections, the labor supply for each demographic category and for the economy as a whole is projected. The main role of BLS in this endeavor is to estimate future labor force participation rates and the level and growth of the labor force in the next 10 years.

Long-term demographic trends, in addition to population projections of all the different gender, age, race, and ethnic categories, are examined first. Next, past trends in labor force participation rates and projected rates for the 2014–24 period are discussed. Then the projected level and growth rate of the labor force over the next decade is analyzed, and finally, various aspects of the aging labor force are studied.

Population

As mentioned earlier, the BLS labor force projections are based on the population projections of the Census Bureau. Every couple of years, the Census Bureau carries out three projections of the resident population of the United States: a high, a midlevel, and a low projection. These projections are based on alternative assumptions regarding future fertility, mortality, and net international migration. BLS uses the midlevel population projection, which is based on the midlevel assumption for each of the foregoing components and is deemed the most likely path of future population changes.[4]

From the interaction among these components of change—fertility, mortality rates, and international migration—different rates of resident population growth lead to different rates of civilian noninstitutional population growth.

Fertility. In the long run, the fertility assumptions have the most impact on national population projections.[5] Fertility is often the largest component of population change. It also has the greatest cumulative effect on population growth, because each extra birth adds not only to the next year's population, but also to the projected population for the person's entire lifespan. Actual historical data are provided by the National Center for Health Statistics and are used as a basis for projecting future fertility trends.[6]

Mortality. Census Bureau mortality rate projections are based on data on deaths; the National Center for Health Statistics and the Census Bureau's own population projections provide the data. There are significant mortality differences among gender, race, and ethnicity groups in the United States. Among the components of population change, life expectancy at birth changes very slowly and is the most stable. Because mortality happens mostly at higher ages and when the older age groups have already exited the labor force, it does not have a significant impact on labor force projections.[7]

Immigration. Of the three components of population change, immigration is the most uncertain and the hardest to project. In contrast to fertility and mortality, which change slowly, immigration is the only component of population change that has a direct impact on all age groups. An increase in the levels of immigration among the different gender, age, race, and ethnic groups can change the composition of the population and significantly change the composition of the labor force.

In addition, immigration has been the major source of the racial and ethnic diversity of the U.S. population and labor force. Hispanics and Asians, in particular, have seen their shares of the labor force increase through immigration in the past several decades.

Immigration also affects the age distribution of the population. Migrants in general, and especially Hispanic migrants, are largely in younger age groups with higher fertility rates, so both the level and share of the foreign born in the population, as well as the age structure of the population, are affected by their numbers. Immigrants come to the United States in search of job opportunities, higher wages, and brighter futures for themselves and their children.

The resident population is projected to grow much more slowly over the next few decades, compared with the previous set of resident population projections by the Census Bureau. The reason is that the projected levels of births and net international migration are lower in the Census Bureau projection. According to Census Bureau projections, the U.S. population is expected to get larger, to continue growing at a slower rate, to grow older, and to become more diverse.[8]

Civilian noninstitutional population

Several steps are taken to convert the Census Bureau's projections of the resident population to projections of the civilian noninstitutional population. First, the number of children 0–15 years of age in the resident population is subtracted from the resident population to obtain the population older than 16 years. Second, the number of people in the Armed Forces, by age, gender, race, and ethnicity, is subtracted from the result of step 1, to get an estimate of the civilian population. The institutional population in each of the various categories is then subtracted from the civilian population in each of those categories, yielding the civilian noninstitutional population in each of the categories. Finally, the civilian noninstitutional populations in each of the categories are summed together, resulting in the total civilian noninstitutional population.

The composition of the civilian noninstitutional population is shown in table 2. The civilian noninstitutional population was 247.9 million in 2014 and is projected to be 269.1 million in 2024, an increase of a little more than 21 million. The growth of the civilian noninstitutional population was 1.3 percent, on average, on an annual basis over the 1994–2004 timeframe and then declined to 1.0 percent between 2004 and 2014. BLS expects that, during the 2014–24 period, the average annual growth rate of the civilian noninstitutional population will slow to 0.8

percent. As a result of declining fertility rates, increasing life expectancies, and longer and healthier lives, the population is getting older.

Table 2. Civilian noninstitutional population, by age, gender, race, and ethnicity, 1994, 2004, 2014, and projected 2024 (numbers in thousands)

Group	Level				Change			Annual growth rate			Percent distribution			
	1994	2004	2014	2024	1994–2004	2004–14	2014–24	1994–2004	2004–14	2014–24	1994	2004	2014	2024
Total, 16 years and older	196,814	223,357	247,947	269,092	26,543	24,590	21,145	1.3	1.0	0.8	100.0	100.0	100.0	100.0
16 to 24	32,549	36,419	38,712	37,245	3,870	2,293	-1,467	1.1	.6	-.4	16.5	16.3	15.6	13.8
16 to 19	14,196	16,222	16,633	16,483	2,026	411	-150	1.3	.3	-.1	7.2	7.3	6.7	6.1
20 to 24	18,353	20,197	22,079	20,762	1,844	1,882	-1,317	1.0	.9	-.6	9.3	9.0	8.9	7.7
25 to 54	112,618	123,410	124,511	128,928	10,792	1,101	4,417	.9	.1	.3	57.2	55.3	50.2	47.9
25 to 34	41,306	38,939	42,131	45,369	-2,367	3,192	3,238	-.6	.8	.7	21.0	17.4	17.0	16.9
35 to 44	41,534	43,226	39,565	44,035	1,692	-3,661	4,470	.4	-.9	1.1	21.1	19.4	16.0	16.4
45 to 54	29,778	41,245	42,815	39,524	11,467	1,570	-3,291	3.3	.4	-.8	15.1	18.5	17.3	14.7
55 and older	51,648	63,527	84,724	102,919	11,879	21,197	18,195	2.1	2.9	2.0	26.2	28.4	34.2	38.2
55 to 64	20,635	28,919	39,764	40,981	8,284	10,845	1,217	3.4	3.2	.3	10.5	12.9	16.0	15.2
65 to 74	18,249	18,181	26,078	35,505	-68	7,897	9,427	.0	3.7	3.1	9.3	8.1	10.5	13.2
75 and older	12,763	16,429	18,882	26,433	3,666	2,453	7,551	2.6	1.4	3.4	6.5	7.4	7.6	9.8
Men, 16 years and older	94,355	107,710	119,748	130,726	13,355	12,038	10,978	1.3	1.1	.9	47.9	48.2	48.3	48.6
16 to 24	16,277	18,359	19,516	18,785	2,082	1,157	-731	1.2	.6	-.4	8.3	8.2	7.9	7.0
16 to 19	7,203	8,234	8,449	8,356	1,031	215	-93	1.3	.3	-.1	3.7	3.7	3.4	3.1
20 to 24	9,074	10,125	11,067	10,430	1,051	942	-637	1.1	.9	-.6	4.6	4.5	4.5	3.9
25 to 54	55,349	60,773	61,149	64,136	5,424	376	2,987	.9	.1	.5	28.1	27.2	24.7	23.8
25 to 34	20,361	19,358	20,841	22,830	-1,003	1,483	1,989	-.5	.7	.9	10.3	8.7	8.4	8.5
35 to 44	20,443	21,255	19,388	21,921	812	-1,867	2,533	.4	-.9	1.2	10.4	9.5	7.8	8.1
45 to 54	14,545	20,160	20,920	19,385	5,615	760	-1,535	3.3	.4	-.8	7.4	9.0	8.4	7.2
55 and older	22,728	28,578	39,083	47,804	5,850	10,505	8,721	2.3	3.2	2.0	11.5	12.8	15.8	17.8
55 to 64	9,810	13,894	19,116	19,833	4,084	5,222	717	3.5	3.2	.4	5.0	6.2	7.7	7.4
65 to 74	8,109	8,294	12,184	16,591	185	3,890	4,407	.2	3.9	3.1	4.1	3.7	4.9	6.2
75 and older	4,809	6,391	7,783	11,380	1,582	1,392	3,597	2.9	2.0	3.9	2.4	2.9	3.1	4.2
Women, 16 years and older	102,460	115,647	128,199	138,366	13,187	12,552	10,167	1.2	1.0	.8	52.1	51.8	51.7	51.4
16 to 24	16,272	18,061	19,197	18,460	1,789	1,136	-737	1.0	.6	-.4	8.3	8.1	7.7	6.9
16 to 19	6,993	7,989	8,184	8,127	996	195	-57	1.3	.2	-.1	3.6	3.6	3.3	3.0
20 to 24	9,279	10,072	11,012	10,332	793	940	-680	.8	.9	-.6	4.7	4.5	4.4	3.8
25 to 54	57,269	62,636	63,362	64,791	5,367	726	1,429	.9	.1	.2	29.1	28.0	25.6	24.1
25 to 34	20,945	19,581	21,290	22,539	-1,364	1,709	1,249	-.7	.8	.6	10.6	8.8	8.6	8.4
35 to 44	21,091	21,970	20,178	22,113	879	-1,792	1,935	.4	-.8	.9	10.7	9.8	8.1	8.2
45 to 54	15,233	21,085	21,894	20,139	5,852	809	-1,755	3.3	.4	-.8	7.7	9.4	8.8	7.5
55 and older	28,919	34,950	45,640	55,115	6,031	10,690	9,475	1.9	2.7	1.9	14.7	15.6	18.4	20.5
55 to 64	10,825	15,025	20,648	21,148	4,200	5,623	500	3.3	3.2	.2	5.5	6.7	8.3	7.9
65 to 74	10,140	9,887	13,894	18,914	-253	4,007	5,020	-.3	3.5	3.1	5.2	4.4	5.6	7.0
75 and older	7,955	10,038	11,098	15,053	2,083	1,060	3,955	2.4	1.0	3.1	4.0	4.5	4.5	5.6

See footnotes at end of table.

Table 2. Civilian noninstitutional population, by age, gender, race, and ethnicity, 1994, 2004, 2014, and projected 2024 (numbers in thousands)

Group	Level				Change			Annual growth rate			Percent distribution			
	1994	2004	2014	2024	1994–2004	2004–14	2014–24	1994–2004	2004–14	2014–24	1994	2004	2014	2024
Race:														
White	165,555	182,643	195,498	207,570	17,088	12,855	12,072	1.0	.7	.6	84.1	81.8	78.8	77.1
Men	80,059	89,044	95,513	101,957	8,985	6,469	6,444	1.1	.7	.7	40.7	39.9	38.5	37.9
Women	85,497	93,599	99,984	105,613	8,102	6,385	5,629	.9	.7	.5	43.4	41.9	40.3	39.2
Black	22,879	26,065	30,843	34,769	3,186	4,778	3,926	1.3	1.7	1.2	11.6	11.7	12.4	12.9
Men	10,258	11,656	13,997	15,950	1,398	2,341	1,953	1.3	1.8	1.3	5.2	5.2	5.6	5.9
Women	12,621	14,409	16,846	18,819	1,788	2,437	1,973	1.3	1.6	1.1	6.4	6.5	6.8	7.0
Asian	8,383	9,519	13,785	17,143	1,136	4,266	3,358	1.3	3.8	2.2	4.3	4.3	5.6	6.4
Men	4,038	4,529	6,420	7,970	491	1,891	1,550	1.2	3.6	2.2	2.1	2.0	2.6	3.0
Women	4,345	4,990	7,365	9,173	645	2,375	1,808	1.4	4.0	2.2	2.2	2.2	3.0	3.4
All other race groups[1]	—	5,130	7,335	9,609	—	2,205	2,274	—	3.6	2.7	—	2.1	3.0	3.6
Men	—	2,481	3,676	4,849	—	1,195	1,173	—	4.0	2.8	—	1.0	1.5	1.8
Women	—	2,649	3,659	4,760	—	1,010	1,101	—	3.3	2.7	—	1.1	1.5	1.8
Ethnicity:														
Hispanic origin	18,117	28,109	38,400	49,272	9,992	10,291	10,872	4.5	3.2	2.5	9.2	12.6	15.5	18.3
Men	9,104	14,417	19,244	24,938	5,314	4,827	5,694	4.7	2.9	2.6	4.6	6.5	7.8	9.3
Women	9,014	13,692	19,156	24,334	4,678	5,464	5,178	4.3	3.4	2.4	4.6	6.1	7.7	9.0
Other than Hispanic origin	178,697	195,248	209,547	219,820	16,551	14,299	10,273	.9	.7	.5	90.8	87.4	84.5	81.7
Men	85,252	93,293	100,504	105,788	8,042	7,211	5,284	.9	.7	.5	43.3	41.8	40.5	39.3
Women	93,446	101,955	109,043	114,032	8,509	7,088	5,979	.9	.7	.5	47.5	45.6	44.0	42.7
White non-Hispanic	149,473	156,555	161,193	163,739	7,082	4,638	2,546	.5	.3	.2	75.9	70.1	65.0	60.8
Men	71,962	75,615	78,277	79,631	3,653	2,662	1,354	.5	.3	.2	36.6	33.9	31.6	29.6
Women	77,511	80,940	82,916	84,108	3,429	1,976	1,192	.4	.2	.1	39.4	36.2	33.4	31.3
Age of baby boomers	30 to 48	40 to 58	50 to 68	60 to 78										

Notes:

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

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

Source: U.S. Bureau of Labor Statistics.

Figure 1. Changes in the civilian noninstitutional population, 1994–2004, 2004–14, and projected 2014–24

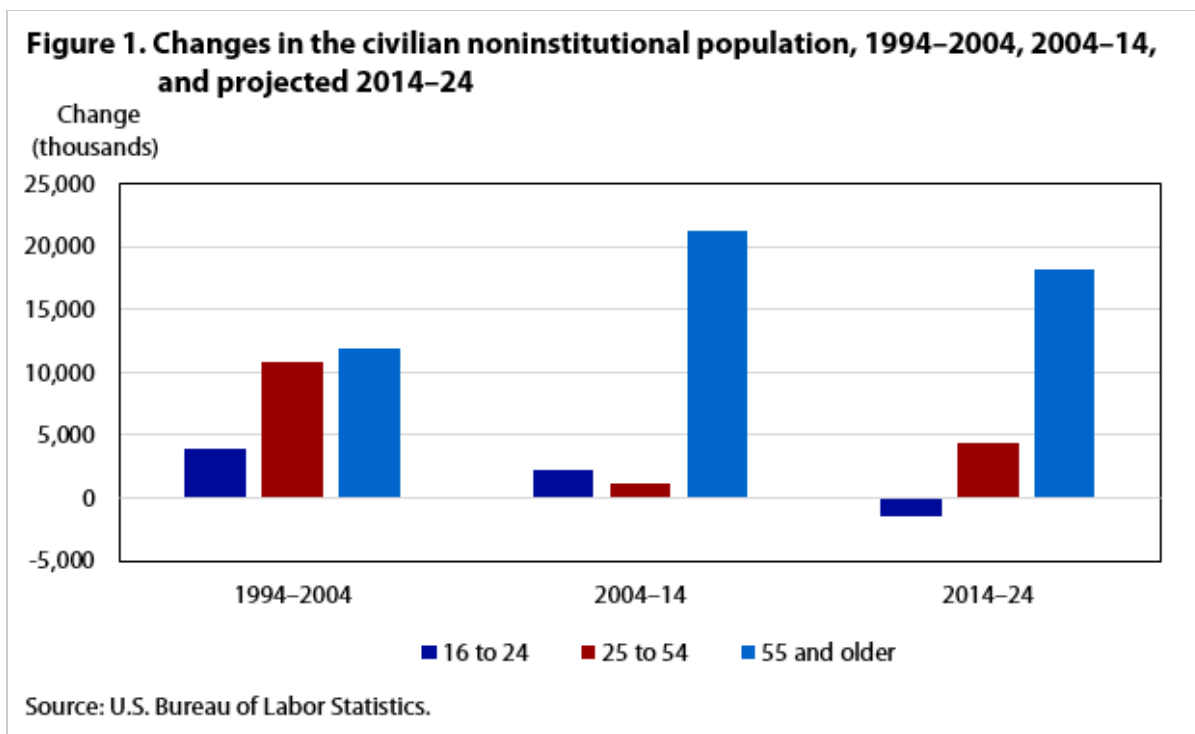
Source: U.S. Bureau of Labor Statistics.

Table 2 also shows the composition and shares of the youth (16 to 24 years), prime-age (25 to 54 years), and older (55 years and older) civilian noninstitutional population for the different decades. The civilian noninstitutional population will shift toward older age groups over the 2014–24 timeframe. (See figure 1.) The youth group represented 16.5 percent of the civilian noninstitutional population in 1994, 16.3 percent in 2004, and 15.6 percent in 2014, and is projected to be 13.8 percent of that population in 2024. The prime-age group's share of the civilian noninstitutional population was 57.2 percent in 1994, 55.3 percent in 2004, and 50.2 percent in 2014, and is projected to be nearly 48 percent of that population in 2024. The older age group increased its relative share of the civilian noninstitutional population from 26.2 percent in 1994, to 28.4 percent in 2004, to 34.2 percent in 2014, and is projected to be 38.2 percent of that population in 2024. The fastest growing age group in the older category over the 2004–14 period was the 65-to-74-year-olds. Because those in that group will be in the 75-years-and-older age group in 2014–24, BLS projects that the 75-years-and-older group will have the highest growth rate over the 2014–24 timeframe, an average 3.4 percent annually. The 65-to-74 age group is projected to have an average annual growth rate of 3.1 percent over the same period. The group of 55-to-64-year-olds had a 3.2-percent average annual growth rate in 2004–14; however, it is projected to grow much more slowly, 0.3 percent, on average, in 2014–24.

The civilian noninstitutional population of men stood at 119.7 million in 2014 and is projected to be 130.7 million in 2024. The civilian noninstitutional population of women, which was 128.2 million in 2014, is projected to be 138.4 million in 2024.

The shares of Hispanics and Asians have increased through immigration in the past several decades.[9] These two groups, which have grown the fastest of all the race and ethnic groups in the past, are projected to continue to grow at higher rates over the next 10 years. Their growth rates are expected to continue to be much faster than those of the other race and ethnic categories. Over the 2004–14 decade, the Asian and Hispanic civilian noninstitutional populations grew at an average annual rate of 3.8 percent and 3.2 percent, respectively. The Black civilian noninstitutional population grew at an annual rate of 1.7 percent, on average, while the White civilian

noninstitutional population grew at 0.7 percent. Within the latter group, however, the share of the White non-Hispanic civilian noninstitutional population has decreased measurably since 1994 as a result of slower growth rates.[10] In general, the various race and ethnic groups are projected to have much slower growth rates during 2014–24 because of lower immigration levels leading to slower population growth.

Labor force participation rates

The labor force participation rate—the proportion of the civilian noninstitutional population that is in the labor force—is one of the key measures of labor market activity. Each age, gender, race, and ethnic group exhibits a different socioeconomic trend and thus a different labor force participation rate. The projection of the labor force participation rate is based on historical CPS annual averages of the labor force participation rates by age, gender, race, and ethnicity. The time series for all the groups are smoothed and the trends extrapolated. The final overall participation rate is then the weighted average of the various participation rates of the different gender, age, race, and ethnic groups. The weights used are the populations of the groups. Labor force participation is typically lower for young people, increases during the prime working years, and then declines sharply after age 55 as workers exit the labor force.

After increasing for more than six decades, the labor force participation rate peaked at 67.1 percent in 1997 and remained at that level up to 2000. Since 2001, however, the overall participation rate has been on a gradual decline, reaching 66.0 percent in 2007, the start of the 2007–09 recession. During the recession, the overall participation rate declined by 0.6 percentage point from its rate in 2007, to 65.4 percent in 2009. Since the end of the recession in 2009, the rate has declined by another 2.5 percentage points, registering 62.9 percent in 2014. The labor force participation rate is projected to fall another 2.0 percentage points, to 60.9 percent, in 2024. (See table 3.) A number of factors have been responsible for the recent downward pressure on the overall labor force participation rate:

• The labor force participation rate of women peaked at 60.0 percent in 1999, after several decades of strong growth. However, the rate has been decreasing in the past 15 years. BLS projects the decline to continue.

• The labor force participation of men has been declining steadily since the end of the 1940s. This long-term declining trend is projected to continue throughout the next decade.

• The labor force participation rate of youths—the group of 16-to-24-year-olds—has declined considerably over the past several decades, especially since 2000. The reason is that more young people than ever are enrolling in school in order to become more competitive in the labor market. The declining trend is expected to continue in the next decade.[11]

• The prime-age group—the 25-to-54-year-olds—has the strongest attachment to the labor market. However, even its labor force participation rate declined during 2004–2014, by nearly 2 percentage points. The rate is estimated to increase slightly over the projection period.

• The baby boomers make up a large share of both the population and the labor force, with a big impact on the labor force participation rate. As the baby boomers have aged and moved from the prime-age group, with the highest participation rates, to the 55-years-and-older group, with participation rates far lower than that, the overall labor force participation rate has declined and will continue to do so over the next decade.

Although the labor force participation rates for the various age, gender, race, and ethnic groups change over time, the overall pattern is fairly consistent across age groups, between men and women, and among race and Hispanic origin groups.

Table 3. Civilian labor force participation rate, by age, gender, race, and ethnicity, 1994, 2004, 2014, and projected 2024 (in percent)

Group	Participation rate				Percentage-point change			Annual growth rate		
	1994	2004	2014	2024	1994–2004	2004–14	2014–24	1994–2004	2004–14	2014–24
Total, 16 years and older	66.6	66.0	62.9	60.9	-0.6	-3.1	-2.0	-0.1	-0.5	-0.3
16 to 24	66.4	61.1	55.0	49.7	-5.3	-6.1	-5.3	-.8	-1.0	-1.0
16 to 19	52.7	43.9	34.0	26.4	-8.8	-9.9	-7.6	-1.8	-2.5	-2.5
20 to 24	77.0	75.0	70.8	68.2	-2.0	-4.2	-2.6	-.3	-.6	-.4
25 to 54	83.4	82.8	80.9	81.2	-.6	-1.9	.3	-.1	-.2	.0
25 to 34	83.2	82.7	81.2	81.3	-.5	-1.5	.1	-.1	-.2	.0
35 to 44	84.8	83.6	82.2	81.7	-1.2	-1.4	-.5	-.1	-.2	-.1
45 to 54	81.7	81.8	79.6	81.0	.1	-2.2	1.4	.0	-.3	.2
55 and older	30.1	36.2	40.0	39.4	6.1	3.8	-.6	1.9	1.0	-.2
55 to 64	56.8	62.3	64.1	66.3	5.5	1.8	2.2	.9	.3	.3
55 to 59	67.7	71.1	71.4	74.2	3.4	.3	2.8	.5	.0	.4
60 to 64	44.9	50.9	55.8	58.8	6.0	4.9	3.0	1.3	.9	.5
60 to 61	54.5	59.2	63.4	67.1	4.7	4.2	3.7	.8	.7	.6
62 to 64	38.7	44.4	50.2	53.2	5.7	5.8	3.0	1.4	1.2	.6
65 and older	12.4	14.4	18.6	21.7	2.0	4.2	3.1	1.5	2.6	1.6
65 to 74	17.2	21.9	26.2	29.9	4.7	4.3	3.7	2.4	1.8	1.3
65 to 69	21.9	27.7	31.6	36.2	5.8	3.9	4.6	2.4	1.3	1.4
70 to 74	11.8	15.3	18.9	22.8	3.5	3.6	3.9	2.6	2.1	1.9
75 to 79	6.6	8.8	11.3	14.4	2.2	2.5	3.1	2.9	2.5	2.5
75 and older	5.4	6.1	8.0	10.6	.7	1.9	2.6	1.2	2.7	2.9
Men, 16 years and older	75.1	73.3	69.2	66.2	-1.8	-4.1	-3.0	-.2	-.6	-.4
16 to 24	70.3	63.9	56.4	50.2	-6.4	-7.5	-6.2	-.9	-1.2	-1.2
16 to 19	54.1	43.9	33.5	27.5	-10.2	-10.4	-6.0	-2.1	-2.7	-2.0
20 to 24	83.1	79.6	73.9	68.3	-3.5	-5.7	-5.6	-.4	-.7	-.8
25 to 54	91.7	90.5	88.2	87.3	-1.2	-2.3	-.9	-.1	-.3	-.1
25 to 34	92.6	91.9	88.7	87.0	-.7	-3.2	-1.7	-.1	-.4	-.2
35 to 44	92.8	91.9	90.5	90.1	-.9	-1.4	-.4	-.1	-.2	.0
45 to 54	89.1	87.5	85.6	84.4	-1.6	-1.9	-1.2	-.2	-.2	-.1
55 and older	37.8	43.2	45.9	44.0	5.4	2.7	-1.9	1.3	.6	-.4
55 to 64	65.5	68.7	69.9	69.9	3.2	1.2	.0	.5	.2	.0
55 to 59	76.9	77.6	76.8	76.3	.7	-.8	-.5	.1	-.1	-.1
60 to 64	52.8	57.0	61.9	63.8	4.2	4.9	1.9	.8	.8	.3
60 to 61	64.8	64.9	69.7	69.7	.1	4.8	.0	.0	.7	.0
62 to 64	45.1	50.8	56.2	59.9	5.7	5.4	3.7	1.2	1.0	.6
65 and older	16.9	19.0	23.0	25.7	2.1	4.0	2.7	1.2	1.9	1.1
65 to 74	21.7	26.7	30.6	34.0	5.0	3.9	3.4	2.1	1.4	1.1
65 to 69	26.8	32.6	36.1	40.0	5.8	3.5	3.9	2.0	1.0	1.0
70 to 74	15.8	19.4	22.8	26.6	3.6	3.4	3.8	2.1	1.6	1.6
75 to 79	9.8	12.4	14.5	17.3	2.6	2.1	2.8	2.4	1.6	1.8
75 and older	8.6	9.0	11.0	13.5	.4	2.0	2.5	.5	2.0	2.1
Women, 16 years and older	58.8	59.2	57.0	55.8	.4	-2.2	-1.2	.1	-.4	-.2
16 to 24	62.5	58.7	53.6	48.6	-3.8	-5.1	-5.0	-.6	-.9	-1.0
16 to 19	51.3	43.8	34.5	25.9	-7.5	-9.3	-8.6	-1.6	-2.4	-2.8
20 to 24	71.0	70.5	67.7	66.5	-.5	-2.8	-1.2	-.1	-.4	-.2

See footnotes at end of table.

Table 3. Civilian labor force participation rate, by age, gender, race, and ethnicity, 1994, 2004, 2014, and projected 2024 (in percent)

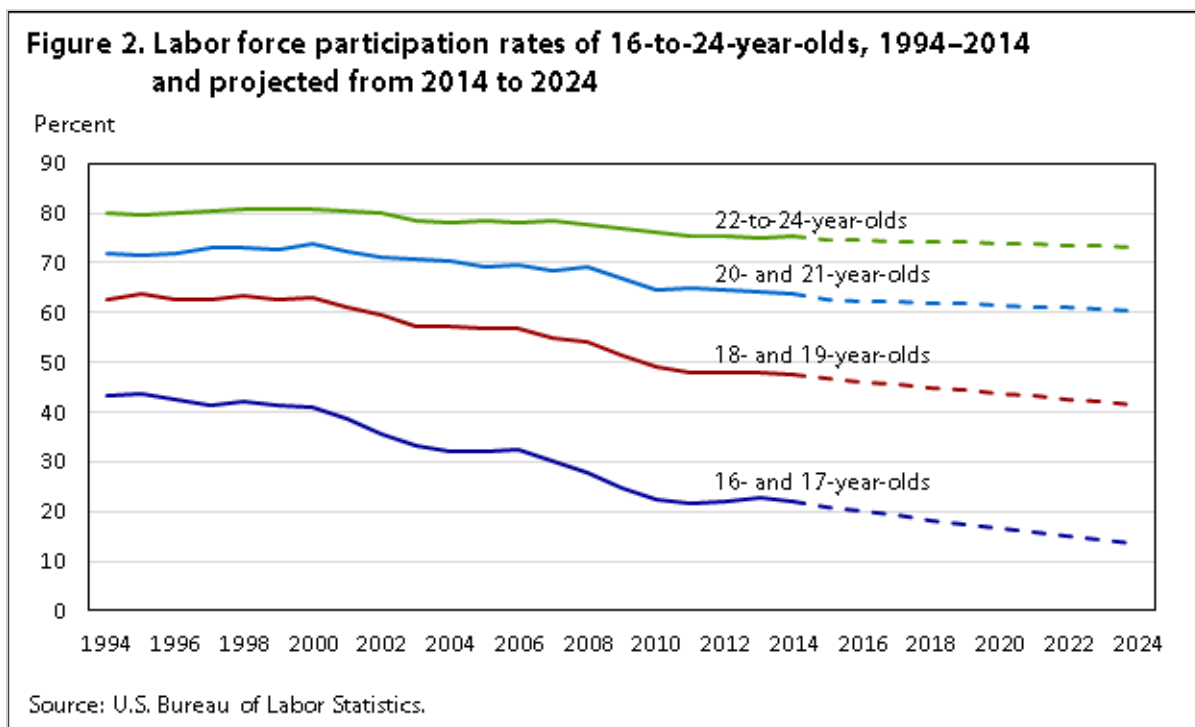| Group	Participation rate				Percentage-point change			Annual growth rate		
	1994	2004	2014	2024	1994–2004	2004–14	2014–24	1994–2004	2004–14	2014–24
25 to 54	75.3	75.3	73.9	75.2	.0	-1.4	1.3	.0	-.2	.2
25 to 34	74.0	73.6	73.8	74.9	-.4	.2	1.1	-.1	.0	.1
35 to 44	77.1	75.6	74.1	73.9	-1.5	-1.5	-.2	-.2	-.2	.0
45 to 54	74.6	76.5	73.8	77.0	1.9	-2.7	3.2	.3	-.4	.4
55 and older	24.0	30.5	34.9	35.4	6.5	4.4	.5	2.4	1.4	.1
55 to 64	48.9	56.3	58.8	62.9	7.4	2.5	4.1	1.4	.4	.7
55 to 59	59.2	65.0	66.4	72.2	5.8	1.4	5.8	.9	.2	.8
60 to 64	37.8	45.4	50.2	54.2	7.6	4.8	4.0	1.8	1.0	.8
60 to 61	45.3	54.0	57.6	64.8	8.7	3.6	7.2	1.8	.6	1.2
62 to 64	33.1	38.7	44.7	47.1	5.6	6.0	2.4	1.6	1.5	.5
65 and older	9.2	11.1	15.1	18.4	1.9	4.0	3.3	1.9	3.1	2.0
65 to 74	13.6	18.0	22.4	26.2	4.4	4.4	3.8	2.8	2.2	1.6
65 to 69	17.9	23.3	27.5	32.8	5.4	4.2	5.3	2.7	1.7	1.8
70 to 74	8.7	12.0	15.6	18.5	3.3	3.6	2.9	3.3	2.7	1.7
75 to 79	4.4	6.3	8.9	12.0	1.9	2.6	3.1	3.7	3.5	3.0
75 and older	3.5	4.3	5.9	8.4	.8	1.6	2.5	2.1	3.2	3.6
Race:										
White	67.1	66.3	63.1	60.8	-.8	-3.2	-2.3	-.1	-.5	-.4
Men	75.9	74.1	69.8	66.5	-1.8	-4.3	-3.3	-.2	-.6	-.5
Women	58.9	58.9	56.7	55.2	.0	-2.2	-1.5	.0	-.4	-.3
Black	63.4	63.8	61.2	59.7	.4	-2.6	-1.5	.1	-.4	-.2
Men	69.1	66.7	63.6	60.7	-2.4	-3.1	-2.9	-.4	-.5	-.5
Women	58.7	61.5	59.2	58.9	2.8	-2.3	-.3	.5	-.4	-.1
Asian	65.3	65.9	63.6	63.0	.6	-2.3	-.6	.1	-.4	-.1
Men	74.3	75.0	72.4	71.3	.7	-2.6	-1.1	.1	-.4	-.2
Women	56.9	57.6	55.8	55.7	.7	-1.8	-.1	.1	-.3	.0
All other race groups[1]	—	66.4	67.6	63.1	—	1.2	-4.5	—	.2	-.7
Men	—	73.2	72.0	68.3	—	-1.3	-3.7	—	-.2	-.5
Women	—	60.0	63.3	57.8	—	3.3	-5.5	—	.5	-.9
Ethnicity:										
Hispanic origin	66.1	68.6	66.1	65.9	2.5	-2.5	-.2	.4	-.4	.0
Men	79.2	80.4	76.1	74.3	1.2	-4.3	-1.8	.2	-.5	-.2
Women	52.9	56.1	56.0	57.4	3.2	-.1	1.4	.6	.0	.2
Other than Hispanic origin	66.6	65.6	62.3	59.7	-1.0	-3.3	-2.6	-.2	-.5	-.4
Men	74.6	72.2	67.9	64.3	-2.4	-4.3	-3.6	-.3	-.6	-.5
Women	59.4	59.6	57.2	55.5	.2	-2.4	-2.1	.0	-.4	-.4
White non-Hispanic	67.2	65.9	62.4	60.7	-1.3	-3.5	-1.7	-.2	-.5	-.3
Men	75.5	73.0	68.4	66.0	-2.5	-4.6	-2.4	-.3	-.6	-.4
Women	60.1	59.3	56.9	55.7	-.8	-2.4	-1.2	-.1	-.4	-.2
Age of baby boomers	30 to 48	40 to 58	50 to 68	60 to 78						

Notes:

See footnotes at end of table.

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

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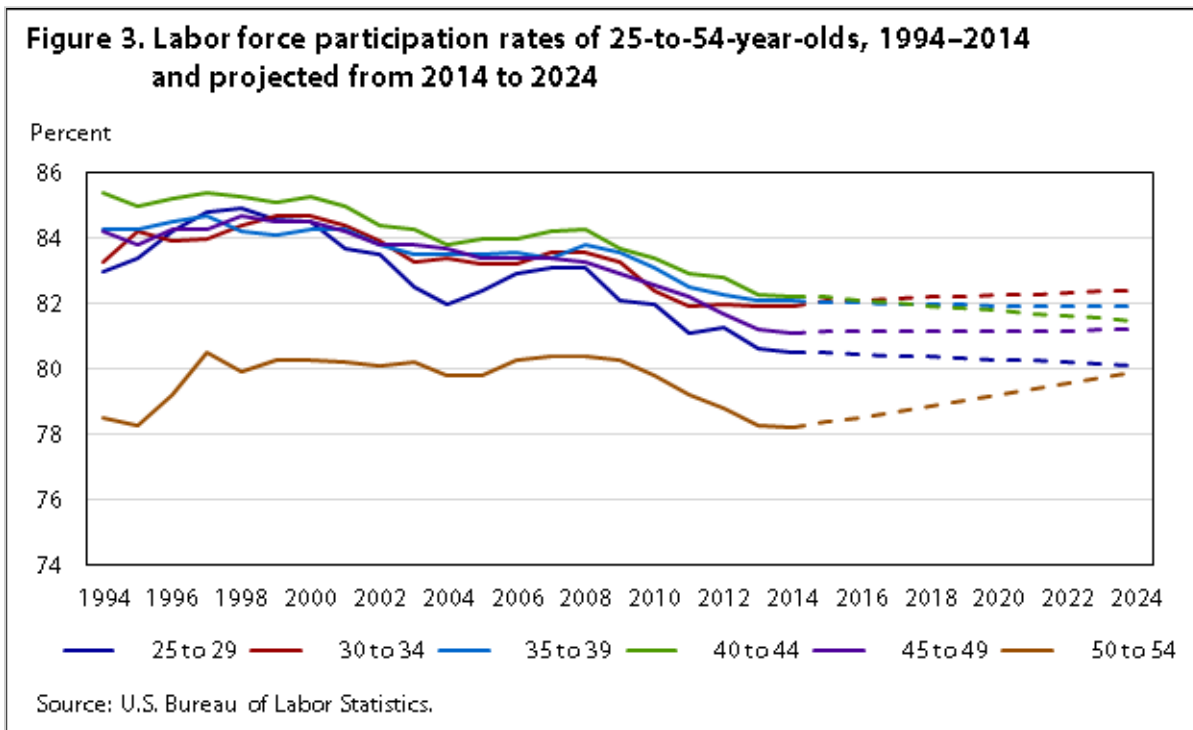
Source: U.S. Bureau of Labor Statistics.

Figure 2. Labor force participation rates of 16-to-24-year-olds, 1994–2014 and projected from 2014 to 2024

Participation rates by age. As the historical trends in table 3 indicate, the labor force participation rates of the 16-to-19- and 20-to-24-year-olds have decreased considerably over the past couple of decades. The participation rate of the entire group of 16-to-24-year-olds was 66.4 percent in 1994 and declined to 61.1 percent in 2004. The rate decreased by 6.1 percentage points, to 55.0 percent, in 2014 and is projected to decline to 49.7 percent in 2024. Within the group of 16-to-24-year-olds, the participation rate for those 16 to 19 years old was 52.7 percent in 1994, dropped by a significant 8.8 percentage points, to 43.9 percent, in 2004, and decreased further by nearly 10 percentage points (again statistically significant), to 34.0 percent, in 2014. BLS projects that the rate for this age group will decline further, to 26.4 percent in 2024. In a similar, though not as dramatic, vein, the participation rate of 20-to-24-year-olds decreased by 2.0 percentage points, from 77.0 percent in 1994 to 75.0 percent in 2004. Then it declined steeply, by 4.2 percentage points, from the 2004 rate to 70.8 percent in 2014. The rate is projected to decrease further, to 68.2 percent in 2024. The major factor in the decreases, all significant, in the participation rate of this group has been an increase in school attendance at all levels, especially summer school, secondary school, and college.[12] Figure 2 shows the labor force participation rates of the various subgroups of 16-to-24-year-olds from 1994 to 2014 and projected from 2014 to 2024.

The participation rate is highest among 25-to-54-year-olds, the prime-age group, the group with the strongest link to the labor market. This group's labor force participation rate has been higher than 80 percent for the last several decades. Since 2000, however, the rate has been declining in most years. Meanwhile, those born between 1965 and 1975 (the so-called baby-bust generation) will be of prime working age, with very high participation rates, during the 2014–24 timeframe.[13] However, because the baby-bust cohort is much smaller than that of the baby

boomers, it will not be able to compensate for the large cohort of baby boomers exiting the prime-age group and moving into a group with much lower participation rates.
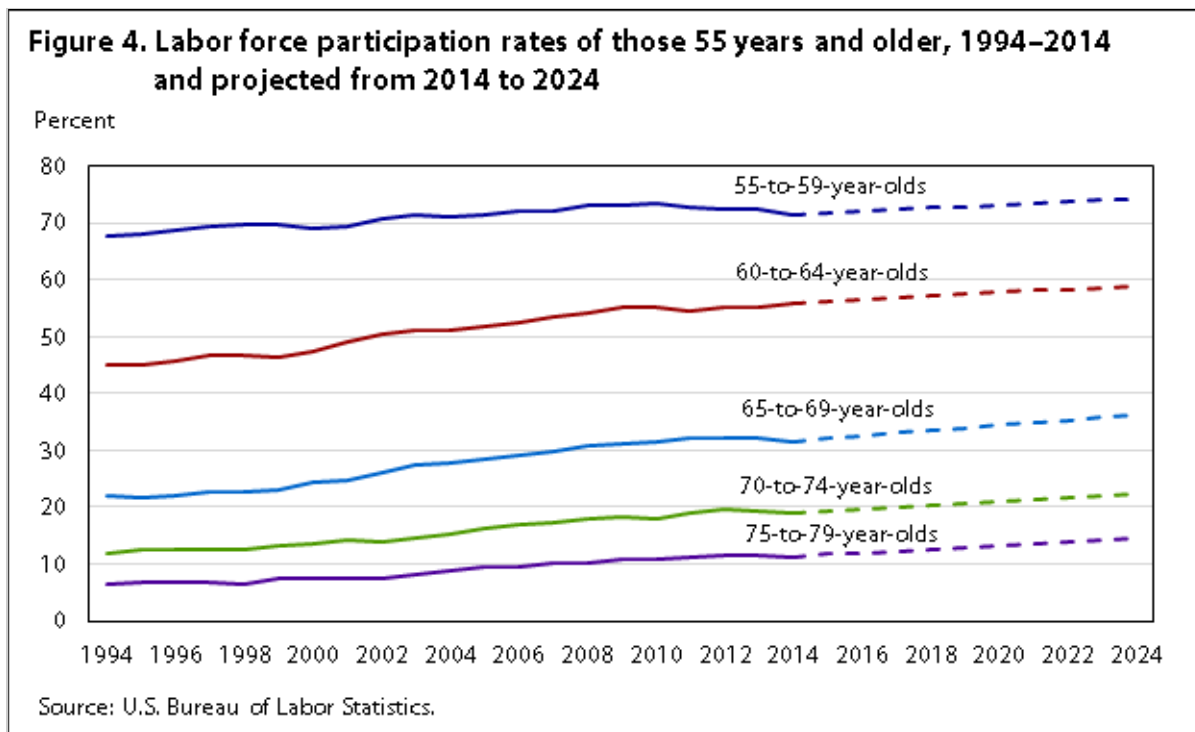

Figure 3. Labor force participation rates of 25-to-54-year-olds, 1994–2014 and projected from 2014 to 2024

Source: U.S. Bureau of Labor Statistics.

The participation rate of 25-to-54-year-olds was 83.4 percent in 1994. It then declined to 82.8 percent in 2004 and decreased by nearly 2 percentage points, to 80.9 percent, in 2014. This drop was a steep decline for the prime-age group, the most active age group in the labor force. BLS projects that the rate will be 81.2 percent in 2024. Figure 3 shows the labor force participation rates of the various subgroups of those in the prime-age group from 1994 to 2014 and projected from 2014 to 2024.

The participation rate of the youngest of the prime-age workers, those 25 to 34 years old, also has been on a mostly declining trend since 2000. The group had a participation rate of 83.2 percent in 1994, declining to 82.7 percent in 2004. The rate then declined to 81.2 percent in 2014 and is projected to stay essentially flat in the next decade.

Two other age groups in the prime-age group—those 35 to 44 years old and those 45 to 54 years old—have had experiences similar to that of the 25-to-34-year-olds: both groups have seen their participation rates decline since 2000. The labor force participation rates of these two groups were 83.6 percent and 81.8 percent, respectively, in 2004, falling to 82.2 percent and 79.6 percent in 2014. Over the 2014–24 timeframe, the 35-to-44-year-olds are expected to have a declining participation rate, dropping from 82.2 percent to 81.7 percent. The 45-to-54-year-old group is projected to have a slightly increasing participation rate, going from 79.6 percent to 81.0 percent over the same timeframe.

Labor force participation rates are much lower for the 55-and-older age group relative to all of the other age groups. As the baby boomers have moved gradually from the prime-age group with high participation rates (above 80 percent) to 55-and-older age groups with much lower participation rates, they have put downward pressure on the aggregate participation rate.

Figure 4. Labor force participation rates of those 55 years and older, 1994–2014 and projected from 2014 to 2024

However, the 55-years-and-older age group is the only one among all the age groups that has experienced increases in its participation rate in the labor market since 1994. (See figure 4.) The participation rate of this group of workers was 30.1 percent in 1994 and increased by more than 6 percentage points, to 36.2, in 2004. The rate increased by another 3.8 percentage points, to 40.0 percent, in 2014. Over the next decade, because the 55-years-and-older group will shift to older age groups with lower participation rates, it is likewise projected to have declining participation rates. The participation rate of the youngest members of the group, the 55-to-64-year-olds, was 62.3 percent in 2004 and rose considerably, to 64.1 percent in 2014. Over the 2014–24 timeframe, the group's participation rate is projected to increase to 66.3 percent. The next-youngest members of the group, the 65-to-74-year-olds, had a participation rate of 21.9 percent in 2004 and saw their rate increase significantly by 4.3 percentage points, to 26.2 percent, in 2014. The group's rate is projected to increase significantly again, to 29.9 percent, in 2024.

The shift of the population toward older age groups will have a large impact on lowering the labor force participation rate over the 2014–24 timeframe. To show this effect clearly, we can hold the labor force participation rates for the different age, gender, race, and ethnic groups constant at their 2014 values. Even then, the aggregate participation rate and the level of the labor force are seen to decline. The reason is again mainly the shift of the labor force to older age groups with lower participation rates. Also, because the 55-years-and-older age group is the only age group with increasing participation rates, keeping its rates at the 2014 values will dampen the aggregate participation rate.

Figure 5. Historical labor force participation rate, 1994–2014; projected rates, 2012–22 and 2014–24; and projected rate, 2014–24, kept constant at 2014 value

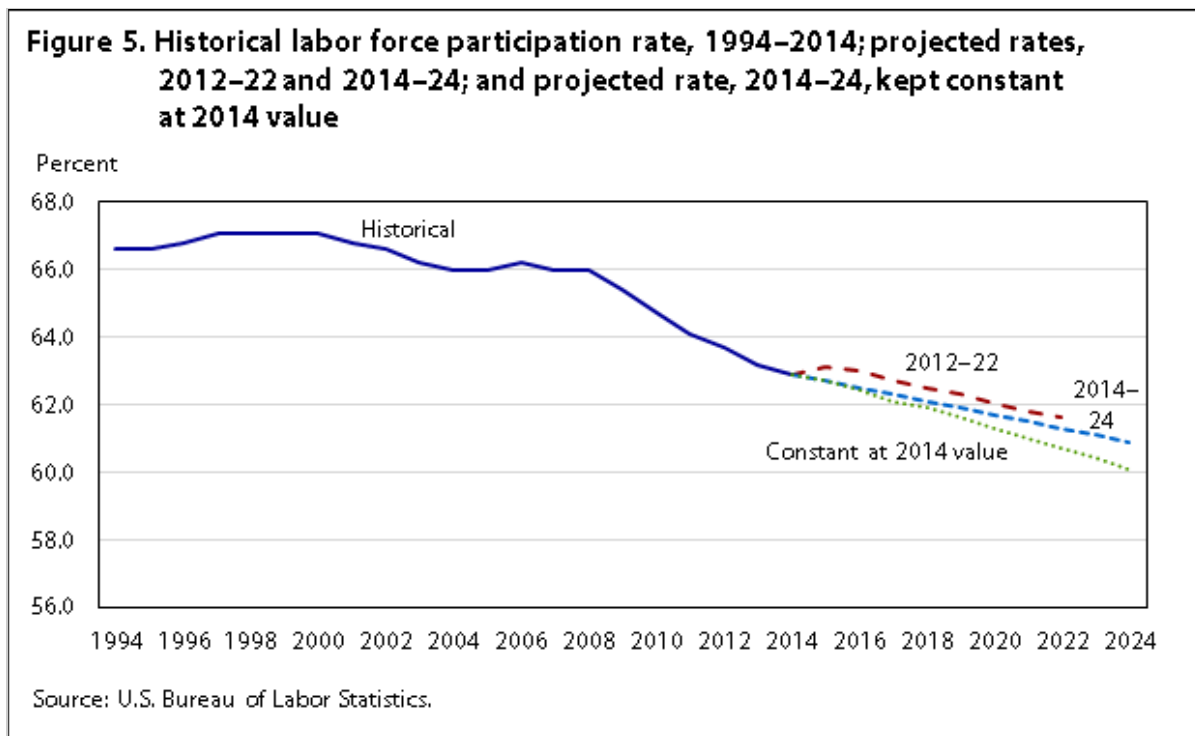Source: U.S. Bureau of Labor Statistics.

Figure 5 shows a graph of the historical labor force participation rate from 1994, through its peak during the years 1997–2000, to 2014. The figure also depicts the trend of the projected labor force participation rates for 2012–22 and 2014–24, and compares these projected rates, holding them constant at their 2014 values. As the graph makes clear, the projected 2012–22 participation rates were the highest. As a result of declining participation rates in 2012 and 2013, the 2014–24 projections show lower labor force participation rates. Keeping the participation rate constant at the 2014 percentage results in the lowest aggregate participation rate.

Participation rates by gender. As table 3 illustrates, the gap between the labor force participation rates of men and women has been shrinking for decades, a trend reflected in the two groups' different patterns of participation rate behavior. The participation rate of men has been on a downward path since the 1940s. The men's participation rate was 75.1 percent in 1994 and declined by 1.8 percentage points, to 73.3 percent, in 2004. The 2007–09 recession significantly affected the men's rate, causing it to decline by 4.1 percentage points, to 69.2 percent, in 2014. Men in the 55-years-and-older age group saw their participation rate increase by nearly 2.7 percentage points over the 2004–14 period, to 45.9 percent, but the participation rates for men in all the young and prime-age groups declined over the same period. The decreasing participation rates for men in these groups are expected to put additional downward pressure on the aggregate labor force participation rate of men in the next 10 years.

The labor force participation rate of women stood at 58.8 percent in 1994 and then increased by 0.4 percentage point, to 59.2 percent, in 2004. Subsequently, the rate dropped by 2.2 percentage points, to 57.0 percent, in 2014. BLS projects that the labor force participation rate of women will decline further, to 55.8 percent in 2024.

The labor force participation rate of women 16 to 24 years old decreased by 5.1 percentage points over the 2004–14 period, falling from 58.7 percent in 2004 to 53.6 percent in 2014. The rate for the subgroup of women 16 to 19 years old declined by a significant 9.3 percent, to 34.5 percent, over the same timeframe. Although the decline in the rate for women in the latter group was large given their 2004 participation rate, it was still lower than the drop in

the participation rate of men in the same age group, 10.4 percent, during the same decade. The labor force participation rate of 16-to-19-year-old women is projected to decline much further, falling to 25.9 percent by 2024. Over the 2014–24 timeframe, the labor force participation rate of 20-to-24-year-old women is projected to decline by 1.2 percentage points, from 67.7 percent in 2014 to 66.5 percent in 2024.

The labor force participation rate of women 55 years and older increased by a significant 4.4 percentage points over the 2004–14 period, from 30.5 percent in 2004 to 34.9 percent in 2014. Included in this age group are women 62 to 64 and women 65 to 74, both of whose participation rates increased in the past decade. The subgroup of 62-to-64-year-olds increased its participation rate from 38.7 percent in 2004 to 44.7 percent in 2014, while the 65-to-74-year-olds saw their participation rate rise from 18.0 percent in 2004 to 22.4 percent in 2014. BLS projects that the labor force participation rate of the 55-years-and-older age group, including all the older subgroups of women, will increase from 2014 to 2024.

Participation rates by race and Hispanic origin. The changes in the labor force participation rates over the past couple of decades have been different among the various race and ethnicity groups. The overall labor force participation rate of each race and ethnicity group is a result of the age distribution of the population in each of those groups and the labor force participation rate of each age group. Although there are differences in the labor force participation rates of the various race and ethnicity groups, the differences are usually not as great as those for the age and gender groups.

Whites. The labor force participation rate of Whites was 67.1 percent in 1994. The rate decreased by 0.8 percentage point, to 66.3 percent, in 2004 and by 3.2 percentage points, to 63.1 percent, in 2014. The rate is projected to decline further, to 60.8 percent in 2024.

Blacks. The labor force participation rate of Blacks was 63.4 percent in 1994 and increased to 63.8 percent in 2004. By 2014, after the 2007–09 recession, the rate had decreased by 2.6 percentage points, to 61.2 percent. BLS projects that the participation rate of Blacks will decrease further, to 59.7 percent, in 2024. Black men have a lower participation rate than men in other race and ethnic groups. Black women, by contrast, have had the highest participation rate, compared with women of other race and ethnic groups, in most years.

Asians. The labor force participation rate of Asians was 65.3 percent in 1994. The rate increased by 0.6 percentage point, to 65.9 percent, in 2004. Over the 2004–14 timeframe, Asians saw their participation rate decrease by 2.3 percentage points, to 63.6 percent in 2014. The labor force participation rate of Asians is projected to decrease slightly, to 63.0 percent by 2024. In 2014, Asian men had a participation rate of 72.4 percent, which is expected to decline to 71.3 percent in 2024. Still, the latter rate is high compared with the rates of most other race and ethnic groups.

White non-Hispanics. The labor force participation rate of White non-Hispanics was 67.2 percent in 1994 and decreased to 65.9 percent a decade later. Between 2004 and 2014, the White non-Hispanic labor force participation rate declined by 3.5 percentage points, to 62.4 percent. BLS projections point to a further lowering of this rate, to 60.7 percent in 2024.

Hispanics. The Hispanic labor force participation rate was 66.1 percent in 1994 and increased by 2.5 percentage points, to 68.6 percent, in 2004. The 2007–09 recession brought about falling participation rates for all race and ethnic groups, including Hispanics, whose labor force participation rate returned to the 1994 level of 66.1 percent in 2014. The labor force participation rate of Hispanics is projected to decrease slightly by 2024. Hispanic men

historically have had a higher labor force participation rate than non-Hispanic men. Hispanic women, by contrast, have had a lower participation than non-Hispanic women. The high labor force participation rate of Hispanic men reflects, in part, their age structure: Hispanics have a younger population than non-Hispanic groups, with a greater proportion at the ages of higher labor force participation. Higher participation in the labor force by Hispanic and Asian men relative to other racial and ethnic groups is projected to increase both of their shares in the labor force, continuing the trend of even more racial and ethnic diversity in the workforce in the next 10 years.

The projected labor force

The U.S. labor force grew at an average annual rate of 1.2 percent over the 1994–2004 decade as a result of both 1.3-percent annual growth in the civilian noninstitutional population and mildly declining (by 0.1 percent) labor force participation rates. (See table 4.) The annual growth rate of the labor force was cut in half in the following decade, 2004–14, to an average of 0.6 percent. The drop was the result of average annual growth of the civilian noninstitutional population slowing down to 1.0 percent and the labor force participation rate declining by 0.5 percent. The labor force is projected to have a growth rate of 0.5 percent in the 2014–24 timeframe and is anticipated to reach 163.8 million in 2024. This projection represents a 5.0-percentage-point rise from 2014 to 2024, less than the 5.8-percentage-point increase registered over the 2004–14 period. These percentage-point changes translate into a numerical increase of 7.8 million, compared with 8.5 million over the 2004–14 timeframe.

Table 4. Civilian labor force, by detailed age, gender, race, and ethnicity categories, 1994, 2004, 2014, and projected 2024 (numbers in thousands)

Group	Level				Change			Percent change			Percent distribution				Annual growth rate (percent)		
	1994	2004	2014	2024	1994–2004	2004–14	2014–24	1994–2004	2004–14	2014–24	1994	2004	2014	2024	1994–2004	2004–14	2014–24
Total, 16 years and older	131,056	147,401	155,922	163,770	16,345	8,521	7,848	12.5	5.8	5.0	100.0	100.0	100.0	100.0	1.2	0.6	0.5
16 to 24	21,612	22,268	21,295	18,498	656	-973	-2,797	3.0	-4.4	-13.1	16.5	15.1	13.7	11.3	.3	-.4	-1.4
16 to 19	7,481	7,114	5,654	4,343	-367	-1,460	-1,311	-4.9	-20.5	-23.2	5.7	4.8	3.6	2.7	-.5	-2.3	-2.6
20 to 24	14,131	15,154	15,641	14,154	1,023	487	-1,487	7.2	3.2	-9.5	10.8	10.3	10.0	8.6	.7	.3	-1.0
25 to 54	93,898	102,122	100,767	104,697	8,224	-1,355	3,930	8.8	-1.3	3.9	71.6	69.3	64.6	63.9	.8	-.1	.4
25 to 34	34,353	32,207	34,199	36,887	-2,146	1,992	2,688	-6.2	6.2	7.9	26.2	21.8	21.9	22.5	-.6	.6	.8
35 to 44	35,226	36,158	32,506	35,973	932	-3,652	3,467	2.6	-10.1	10.7	26.9	24.5	20.8	22.0	.3	-1.1	1.0
45 to 54	24,318	33,758	34,062	31,837	9,440	304	-2,225	38.8	.9	-6.5	18.6	22.9	21.8	19.4	3.3	.1	-.7
55 and older	15,547	23,011	33,860	40,575	7,464	10,849	6,715	48.0	47.1	19.8	11.9	15.6	21.7	24.8	4.0	3.9	1.8
55 to 64	11,713	18,013	25,502	27,154	6,300	7,489	1,652	53.8	41.6	6.5	8.9	12.2	16.4	16.6	4.4	3.5	.6
65 to 74	3,140	3,990	6,845	10,609	850	2,855	3,764	27.1	71.6	55.0	2.4	2.7	4.4	6.5	2.4	5.5	4.5
75 and older	694	1,007	1,512	2,812	313	505	1,300	45.1	50.1	86.0	.5	.7	1.0	1.7	3.8	4.1	6.4
Men, 16 years and older	70,817	78,980	82,882	86,524	8,163	3,902	3,642	11.5	4.9	4.4	54.0	53.6	53.2	52.8	1.1	.5	.4
16 to 24	11,435	11,673	11,009	9,526	238	-664	-1,483	2.1	-5.7	-13.5	8.7	7.9	7.1	5.8	.2	-.6	-1.4
16 to 19	3,896	3,616	2,827	2,242	-280	-789	-585	-7.2	-21.8	-20.7	3.0	2.5	1.8	1.4	-.7	-2.4	-2.3
20 to 24	7,540	8,057	8,182	7,284	517	125	-898	6.9	1.6	-11.0	5.8	5.5	5.2	4.4	.7	.2	-1.2
25 to 54	50,782	54,972	53,925	55,950	4,190	-1,047	2,025	8.3	-1.9	3.8	38.7	37.3	34.6	34.2	.8	-.2	.4
25 to 34	18,854	17,798	18,478	20,002	-1,056	680	1,524	-5.6	3.8	8.2	14.4	12.1	11.9	12.2	-.6	.4	.8
35 to 44	18,966	19,539	17,547	19,624	573	-1,992	2,077	3.0	-10.2	11.8	14.5	13.3	11.3	12.0	.3	-1.1	1.1
45 to 54	12,962	17,635	17,900	16,324	4,673	265	-1,576	36.1	1.5	-8.8	9.9	12.0	11.5	10.0	3.1	.1	-.9
55 and older	8,600	12,334	17,948	21,048	3,734	5,614	3,100	43.4	45.5	17.3	6.6	8.4	11.5	12.9	3.7	3.8	1.6
55 to 64	6,423	9,547	13,361	13,862	3,124	3,814	501	48.6	39.9	3.7	4.9	6.5	8.6	8.5	4.0	3.4	.4
65 to 74	1,763	2,211	3,729	5,646	448	1,518	1,917	25.4	68.7	51.4	1.3	1.5	2.4	3.4	2.3	5.4	4.2
75 and older	414	576	859	1,540	162	283	681	39.1	49.1	79.3	.3	.4	.6	.9	3.4	4.1	6.0
Women, 16 years and older	60,239	68,421	73,039	77,246	8,182	4,618	4,207	13.6	6.7	5.8	46.0	46.4	46.8	47.2	1.3	.7	.6
16 to 24	10,177	10,595	10,286	8,972	418	-309	-1,314	4.1	-2.9	-12.8	7.8	7.2	6.6	5.5	.4	-.3	-1.4
16 to 19	3,585	3,498	2,827	2,102	-87	-671	-725	-2.4	-19.2	-25.6	2.7	2.4	1.8	1.3	-.2	-2.1	-2.9
20 to 24	6,592	7,097	7,459	6,871	505	362	-588	7.7	5.1	-7.9	5.0	4.8	4.8	4.2	.7	.5	-.8
25 to 54	43,116	47,150	46,842	48,747	4,034	-308	1,905	9.4	-.7	4.1	32.9	32.0	30.0	29.8	.9	-.1	.4

See footnotes at end of table.

Table 4. Civilian labor force, by detailed age, gender, race, and ethnicity categories, 1994, 2004, 2014, and projected 2024 (numbers in thousands)

Group	Level				Change			Percent change			Percent distribution				Annual growth rate (percent)		
	1994	2004	2014	2024	1994–2004	2004–14	2014–24	1994–2004	2004–14	2014–24	1994	2004	2014	2024	1994–2004	2004–14	2014–24
25 to 34	15,499	14,409	15,721	16,885	-1,090	1,312	1,164	-7.0	9.1	7.4	11.8	9.8	10.1	10.3	-.7	.9	.7
35 to 44	16,259	16,619	14,958	16,350	360	-1,661	1,392	2.2	-10.0	9.3	12.4	11.3	9.6	10.0	.2	-1.0	.9
45 to 54	11,357	16,123	16,163	15,513	4,766	40	-650	42.0	.2	-4.0	8.7	10.9	10.4	9.5	3.6	.0	-.4
55 and older	6,947	10,676	15,912	19,527	3,729	5,236	3,615	53.7	49.0	22.7	5.3	7.2	10.2	11.9	4.4	4.1	2.1
55 to 64	5,289	8,466	12,141	13,292	3,177	3,675	1,151	60.1	43.4	9.5	4.0	5.7	7.8	8.1	4.8	3.7	.9
65 to 74	1,377	1,780	3,117	4,963	403	1,337	1,846	29.3	75.1	59.2	1.1	1.2	2.0	3.0	2.6	5.8	4.8
75 and older	281	431	654	1,272	150	223	618	53.4	51.7	94.5	.2	.3	.4	.8	4.4	4.3	6.9
Race:																	
White	111,083	121,086	123,328	126,143	10,003	2,242	2,815	9.0	1.9	2.3	84.8	82.1	79.1	77.0	.9	.2	.2
Men	60,727	65,994	66,680	67,849	5,267	686	1,169	8.7	1.0	1.8	46.3	44.8	42.8	41.4	.8	.1	.2
Women	50,356	55,092	56,648	58,294	4,736	1,556	1,646	9.4	2.8	2.9	38.4	37.4	36.3	35.6	.9	.3	.3
Black	14,502	16,638	18,873	20,772	2,136	2,235	1,899	14.7	13.4	10.1	11.1	11.3	12.1	12.7	1.4	1.3	1.0
Men	7,089	7,773	8,909	9,683	684	1,136	774	9.6	14.6	8.7	5.4	5.3	5.7	5.9	.9	1.4	.8
Women	7,413	8,865	9,964	11,089	1,452	1,099	1,125	19.6	12.4	11.3	5.7	6.0	6.4	6.8	1.8	1.2	1.1
Asian	5,473	6,271	8,760	10,792	798	2,489	2,032	14.6	39.7	23.2	4.2	4.3	5.6	6.6	1.4	3.4	2.1
Men	3,002	3,396	4,648	5,681	394	1,252	1,033	13.1	36.9	22.2	2.3	2.3	3.0	3.5	1.2	3.2	2.0
Women	2,472	2,876	4,112	5,111	404	1,236	999	16.3	43.0	24.3	1.9	2.0	2.6	3.1	1.5	3.6	2.2
All other race groups[1]	—	3,406	4,961	6,063	—	1,555	1,102	—	45.7	22.2	—	—	3.2	3.7	—	3.8	2.0
Men	—	1,817	2,645	3,311	—	828	666	—	45.6	25.2	—	—	1.7	2.0	—	3.8	2.3
Women	—	1,589	2,316	2,752	—	727	436	—	45.8	18.8	—	—	1.5	1.7	—	3.8	1.7
Ethnicity:																	
Hispanic origin	11,975	19,272	25,370	32,486	7,297	6,098	7,116	60.9	31.6	28.0	9.1	13.1	16.3	19.8	4.9	2.8	2.5
Men	7,210	11,587	14,651	18,522	4,377	3,064	3,871	60.7	26.4	26.4	5.5	7.9	9.4	11.3	4.9	2.4	2.4
Women	4,765	7,685	10,720	13,964	2,920	3,035	3,244	61.3	39.5	30.3	3.6	5.2	6.9	8.5	4.9	3.4	2.7
Other than Hispanic origin	119,081	128,129	130,552	131,284	9,048	2,423	732	7.6	1.9	.6	90.9	86.9	83.7	80.2	.7	.2	.1
Men	63,607	67,393	68,231	68,002	3,786	838	-230	6.0	1.2	-.3	48.5	45.7	43.8	41.5	.6	.1	.0
Women	55,474	60,736	62,319	63,282	5,262	1,583	963	9.5	2.6	1.5	42.3	41.2	40.0	38.6	.9	.3	.2

See footnotes at end of table.

Table 4. Civilian labor force, by detailed age, gender, race, and ethnicity categories, 1994, 2004, 2014, and projected 2024 (numbers in thousands)

Group	Level				Change			Percent change			Percent distribution				Annual growth rate (percent)		
	1994	2004	2014	2024	1994–2004	2004–14	2014–24	1994–2004	2004–14	2014–24	1994	2004	2014	2024	1994–2004	2004–14	2014–24
White non-Hispanic	100,462	103,202	100,661	97,622	2,740	-2,541	-3,039	2.7	-2.5	-3.0	76.7	70.0	64.6	59.6	.3	-.2	-.3
Men	54,306	55,186	53,515	51,482	880	-1,671	-2,033	1.6	-3.0	-3.8	41.4	37.4	34.3	31.4	.2	-.3	-.4
Women	46,157	48,017	47,147	46,140	1,860	-870	-1,007	4.0	-1.8	-2.1	35.2	32.6	30.2	28.2	.4	-.2	-.2
Age of baby boomers	30 to 48	40 to 58	50 to 68	60 to 78													

Notes:

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

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

Source: U.S. Bureau of Labor Statistics.

The demographic composition of the population directly affects the demographic composition of the labor force. The year 2000 marked a high point as far as the impact of demographics on the labor market was concerned. In 2000, the baby-boom generation was of prime working age. Every year since 2000, more members of this large cohort have pushed into the 55-years-and-older age group. The substantial shift of the population to older age groups will dampen the growth of the labor force over the next several decades. The composition of the labor force also will change, with the various age, gender, racial, and ethnic groups experiencing growth at different rates. In addition, the labor force participation rate has decreased significantly after having reached its peak in 1997–2000. The result is that, although the average annual rate of growth of the civilian noninstitutional population for the 2014–24 period is projected to be 0.8 percent, because of the decrease in the labor force participation rate of most age, gender, race, and ethnic groups during that time, the labor force is projected to grow at an average rate of 0.5 percent annually, lower than the rate of growth of the civilian noninstitutional population.

In 1994, the baby boomers were between 30 and 48 years old and were entering the labor market in large numbers. As a result, the U.S. labor force grew at an average annual rate of 1.2 percent during the 1994–2004 decade. In addition, over the 1970s and 1980s, and continuing into the 1990s, the women's labor force participation rate increased considerably, causing the overall participation rate and the size of the labor force to rise appreciably. Now labor force growth has slowed down, and BLS labor force projections point to the continuation of a slow, but steady, growth for the next 10 years.

Labor force by gender

Men. The number of men in the labor force grew by 1.1 percent annually, on average, in the 1994–2004 timeframe. This growth rate was cut in more than half, to 0.5 percent, over the 2004–14 period. BLS projects that the number of men in the labor force will grow by an annual average of 0.4 percent from 2014 to 2024. The men's labor force numbered 70.8 million in 1994, 79.0 million in 2004, and 82.9 million in 2014, and is projected to be 86.5 million in 2024.

Women. The women's labor force had a 1.3-percent average annual growth rate over the 1994–2004 timeframe and 0.7 percent during the 2004–14 period. BLS projects that the average annual growth rate of the women's labor force will be 0.6 percent in the next decade. The number of women in the labor force was 60.2 million in 1994, 68.4 million in 2004, and 73.0 million in 2014. BLS projects that the labor force of women will increase to 77.2 million in 2024.

Women's labor force growth was greater than men's over the 1994–2004 and 2004–14 timeframes, whether measured by number of people or rate of change. The 0.2-percentage-point difference in the growth rates for men and women from 2004 to 2014 is projected to continue over the 2014–24 period. Still, the number of men in the labor force has always been greater than the number of women, a situation that is expected to remain the same in the next decade.

Labor force by age

Youths 16 to 24 years. The youth labor force is broken down into two groups: 16-to-19-year-olds and 20-to-24-year-olds. The number of youths in the labor force was 21.6 million in 1994 and increased slightly to 22.3 million in 2004. In 2014, the youth labor force stood at 21.3 million, a decline of nearly 1 million over the 2004–14 decade.

BLS projects that the number of 16-to-24-year-olds in the labor force will be 18.5 million in 2024. The youth share of the labor force was 16.5 percent in 1994, decreased to 15.1 percent in 2004, and dropped further, to 13.7 percent in 2014. BLS projects that the share of youths in the labor force will fall yet further, to 11.3 percent in 2024.

An increase in school attendance of youths, including attendance at summer school, is the main reason the youth labor force has been declining.[14] Also, that age group has been affected by two recessions that have occurred since 2000, resulting in reduced job opportunities and increased competition from other groups.[15] Over 2014–24, the average annual growth rate of the number of 16-to-24-year-olds in the labor force is projected to decline by a significant 1.4 percent. The group is expected to constitute 11.3 percent of the labor force in 2024.

The 16-to-24 and 25-to-34 age groups will make up nearly 34 percent of the labor force in 2024; these two groups correspond roughly to the "millennial generation."[16]

Prime-age workers 25 to 54 years. Prime-age workers have the strongest ties to the labor market. The prime-age labor force numbered 93.9 million in 1994, 102.1 million in 2004, and 100.8 million in 2014, the latter drop a result mainly of the recession of 2007–09. BLS projects that the prime-age workforce will reach 104.7 million in 2024. The group, which made up 71.6 percent of the total labor force in 1994, saw its share decrease to 69.3 percent in 2004 and then again to 64.6 percent in 2014. BLS expects the group's share to fall to just under 64 percent of the total labor force in 2024.

Workers 55 years and older. In contrast to the declining trend of the youth labor force, the number of workers 55 years and older in the labor force grew from 15.5 million in 1994 to 23.0 million in 2004. Then, in 2014, their number climbed to 33.9 million, nearly 11 million more than in 2004. The group's share of the total labor force also increased, from 11.9 percent in 1994, to 15.6 percent in 2004, to 21.7 percent in 2014. The 55-years-and-older age group is projected to increase its number in the labor force to 40.6 million in 2024, and its share is expected to reach nearly 25 percent that year. Within the group, the labor force share of the 55-to-64-year-olds increased from 8.9 percent in 1994, to 12.2 percent in 2004, to 16.4 percent in 2014. The group's share of the total labor force is expected to grow to 16.6 percent over the next decade, and within the 55-years-and-older group, the older subgroups will increase their shares faster than the younger ones.

Labor force by race and ethnicity

The diversity of the labor force has increased in the past several decades, as a result of higher rates of immigration. Different fertility rates and major differences in immigration patterns produce different trends in the population growth and labor force growth of the various race and ethnic groups. The share of minorities in the labor force will expand more than ever before. Because immigration is the main engine of population growth and because Hispanic and Asian men have high labor force participation rates, the diversity of the labor force will increase. BLS projects that, by 2024, Hispanics (19.8 percent), Blacks (12.7 percent), Asians (6.6 percent), and all those belonging to the "all other groups" category (3.7 percent) will make up nearly 43 percent of the civilian labor force.[17]

White labor force. BLS projects that, during the next decade, the White labor force will have an average annual growth rate of 0.2 percent, much slower than the rates of the other racial groups. More than 80 percent of Hispanics are counted in the White race group, so that group will remain the largest in 2024. However, the group's share of the total labor force has been on a declining trend for the past couple of decades and even before that.

Whites accounted for 84.8 percent of the labor force in 1994, 82.1 percent in 2004, and 79.1 percent in 2014, with a further decline to 77.0 percent expected in 2024. The White population has a lower fertility rate than the other racial and ethnic groups have, and, in addition, Whites immigrate to the United States in lower numbers than the other groups do.[18]

Black labor force. The Black labor force is projected to grow at an average annual rate of 1.0 percent during the 2014–24 timeframe—steady, but much slower than the Hispanic and Asian rates. Blacks accounted for 11.3 percent of the labor force in 2004 and 12.1 percent in 2014; they are expected to increase their share to 12.7 percent in 2024. The increase in the share of Blacks in the total labor force comes mainly from the group's higher birthrates, a steady stream of Black immigrants to the country, and the very high labor force participation rates of Black women.

Asian labor force. Although its numbers and shares start from much lower levels, the Asian labor force is projected to increase substantially over the next decade. Asians accounted for 4.3 percent of the labor force in 2004 and 5.6 percent in 2014 and are projected to increase their share to 6.6 percent in 2024. The continued immigration of members of this group to the United States, coupled with the group's high participation rates, contributes to its increasing share of the labor force. The Asian labor force totaled 6.3 million in 2004 and 8.8 million in 2014. BLS projects the number to increase to 10.8 million in 2024.

"All other" labor force. The "all other groups" category comprises three distinct racial or ethnic groups: (1) those who are of multiple races, (2) American Indians and Alaska Natives, and (3) Native Hawaiian and other Pacific Islanders. The category is projected to grow from nearly 5 million in 2014 to 6.1 million in 2024, representing a high average annual growth rate of 2.0 percent.

Hispanic labor force. Hispanics may be of any race. As the Hispanic population continues to increase at faster rates, so does the group's labor force. A combination of rapid population growth (from high birth and immigration rates) and extremely high participation rates has caused a surge in this group's labor force growth. The Hispanic labor force was nearly 12.0 million in 1994, 19.3 million in 2004, and 25.4 million in 2014. BLS projects that the group will reach 32.5 million in 2024, increasing the share of Hispanics in the total labor force over the next decade. In 2004, Hispanics composed 13.1 percent of the labor force, a share that increased to 16.3 percent in 2014. BLS projects that Hispanics will make up nearly 20 percent of the labor force in 2024.

"Other than Hispanic origin" labor force. As the share of Hispanics has increased in both the population and the labor force, the share of non-Hispanics has decreased with each decade. Non-Hispanics held a nearly 91.0-percent share of the labor force in 1994 and 86.9 percent in 2004. Their share decreased to 83.7 percent in 2014. BLS anticipates that the non-Hispanic share will fall even further, to 80.2 percent, in 2024.

White non-Hispanic labor force. The White non-Hispanic labor force is projected to decline by 0.3 percent annually, on average, over the 2014–24 timeframe. The decrease in the number of White non-Hispanics in the labor force is accompanied by faster growth of other racial and ethnic groups in the U.S. workforce. The share of the White non-Hispanic labor force decreased from 76.7 percent in 1994, to 70.0 percent in 2004, to 64.6 percent in 2014. BLS projects that this group will compose 59.6 percent of the labor force in 2024. The drop in the White non-Hispanic share of the total labor force can be attributed to the group's lower fertility and immigration rates compared with those of other racial and ethnic groups. In addition, the entry of more and more White non-Hispanic men into the

older age groups, in which retirement is increasingly likely, has contributed to the decelerating share of White non-Hispanics in the labor force.

Dynamic changes in the labor force

The labor force is projected to increase by 7.8 million during the 2014–24 timeframe. This growth is based on the dynamic changes that underlie the movement of workers into and out of the workforce. From 2014 to 2024, changes are projected to emerge from three dynamic groups:

• Entrants—those who were not in the labor force in 2014, but who will enter during the 2014–24 period and continue to be part of the labor force in 2024.

• Leavers—those who were in the labor force in 2014, but who will leave during the 2014–24 period and will not be in the labor force in 2024.

• Stayers—those who were in the labor force in 2014 and will remain in it through 2024.[19]

The 2024 labor force will be different from the 2014 labor force to the extent that the demographic composition of labor force entrants between 2014 and 2024 will be different from the composition of those now in the labor force. During the 2014–24 period, the labor force will be affected by the demographic composition of those leaving, those entering, and those staying in the labor force.

BLS projects that, between 2014 and 2024, 36.4 million workers will enter the labor force and 28.6 million will leave. (See table 5.) These figures compare with 33.9 million entrants and 25.4 million leavers over the 2004–14 period. The number of entrants into the labor force is thus anticipated to be 2.5 million more than in the previous decade. However, 3.2 million more people are expected to leave the labor force, mainly as a result of aging and retirement. Continuing the trends of the previous decade, the entrants are projected to be mostly men. During the 2014–24 timeframe, 19.7 million men are expected to enter the labor force, compared with 16.8 million women. The leavers also are more likely to be men, because the male labor force—especially White men—is older, on average, than the women's labor force. According to BLS projections, 16.0 million men are expected to leave the labor force over the next decade. The combined effect of the entrants and leavers will result in a labor force of 86.5 million men in 2024. Also, BLS projects that 12.5 million women will leave the workforce by 2024. Because fewer women than men are expected to leave the labor force in 2014–24, the share of women in the overall labor force is projected to increase to 47.2 percent in 2024.

Table 5. Civilian labor force, entrants and leavers, 2004, 2014, and projected 2024 (numbers in thousands)

Group	2004	2004–14			2014	2014–24			2024
		Entrants	Leavers	Stayers		Entrants	Leavers	Stayers	
Number, 16 years and older									
Total	147,401	33,880	25,360	122,041	155,922	36,416	28,568	127,353	163,770
Men	78,980	17,851	13,949	65,031	82,882	19,664	16,023	66,859	86,524
Women	68,421	16,029	11,411	57,010	73,039	16,752	12,545	60,494	77,246
Race:									
White	121,086	24,568	22,326	98,760	123,327	26,288	23,473	99,855	126,143
Men	65,994	13,323	12,637	53,357	66,680	14,466	13,297	53,383	67,849
Women	55,092	11,245	9,689	45,403	56,648	11,822	10,176	46,472	58,294

See footnotes at end of table.

Table 5. Civilian labor force, entrants and leavers, 2004, 2014, and projected 2024 (numbers in thousands)

Group	2004	2004–14			2014	2014–24			2024
		Entrants	Leavers	Stayers		Entrants	Leavers	Stayers	
Black	16,638	4,947	2,712	13,926	18,873	5,286	3,388	15,485	20,772
Men	7,773	2,372	1,236	6,537	8,909	2,471	1,698	7,211	9,683
Women	8,865	2,575	1,476	7,389	9,964	2,815	1,690	8,274	11,089
Asian	6,271	3,031	543	5,729	8,760	3,252	1,221	7,539	10,792
Men	3,396	1,543	291	3,105	4,648	1,658	626	4,022	5,681
Women	2,876	1,488	252	2,624	4,112	1,594	595	3,517	5,111
All other race groups[1]	3,406	—	—	—	4,961	—	—	—	6,063
Men	1,817	—	—	—	2,645	—	—	—	3,311
Women	1,589	—	—	—	2,316	—	—	—	2,752
Ethnicity:									
Hispanic origin	19,272	8,032	1,933	17,339	25,370	9,992	2,877	22,494	32,486
Men	11,587	4,289	1,225	10,362	14,651	5,591	1,719	12,932	18,522
Women	7,685	3,743	708	6,977	10,720	4,401	1,158	9,562	13,964
Other than Hispanic origin	128,129	25,848	23,427	104,702	130,552	26,424	25,691	104,860	131,284
Men	67,393	13,562	12,724	54,669	68,231	14,073	14,304	53,927	68,002
Women	60,736	12,286	10,703	50,033	62,319	12,351	11,387	50,932	63,282
White non-Hispanic	103,203	17,990	20,531	82,672	100,661	17,989	21,029	79,633	97,622
Men	55,186	9,596	11,267	43,919	53,515	9,767	11,800	41,715	51,482
Women	48,017	8,394	9,264	38,753	47,147	8,222	9,229	37,918	46,140
Share (percent), 16 years and older									
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Men	53.6	52.7	55.0	53.3	53.2	54.0	56.1	52.5	52.8
Women	46.4	47.3	45.0	46.7	46.8	46.0	43.9	47.5	47.2
Race:									
White	82.1	72.5	88.0	80.9	79.1	72.2	82.2	78.4	77.0
Men	44.8	39.3	49.8	43.7	42.8	39.7	46.5	41.9	41.4
Women	37.4	33.2	38.2	37.2	36.3	32.5	35.6	36.5	35.6
Black	11.3	14.6	10.7	11.4	12.1	14.5	11.9	12.2	12.7
Men	5.3	7.0	4.9	5.4	5.7	6.8	5.9	5.7	5.9
Women	6.0	7.6	5.8	6.1	6.4	7.7	5.9	6.5	6.8
Asian	4.3	8.9	2.1	4.7	5.6	8.9	4.3	5.9	6.6
Men	2.3	4.6	1.1	2.5	3.0	4.6	2.2	3.2	3.5
Women	2.0	4.4	1.0	2.2	2.6	4.4	2.1	2.8	3.1
All other race groups1	2.3	—	—	—	3.2	—	—	—	3.7
Men	1.2	—	—	—	1.7	—	—	—	2.0
Women	1.1	—	—	—	1.5	—	—	—	1.7
Ethnicity:									
Hispanic origin	13.1	23.7	7.6	14.2	16.3	27.4	10.1	17.7	19.8
Men	7.9	12.7	4.8	8.5	9.4	15.4	6.0	10.2	11.3
Women	5.2	11.0	2.8	5.7	6.9	12.1	4.1	7.5	8.5
Other than Hispanic origin	86.9	76.3	92.4	85.8	83.7	72.6	89.9	82.3	80.2
Men	45.7	40.0	50.2	44.8	43.8	38.6	50.1	42.3	41.5
Women	41.2	36.3	42.2	41.0	40.0	33.9	39.9	40.0	38.6
White non-Hispanic	70.0	53.1	81.0	67.7	64.6	49.4	73.6	62.5	59.6
Men	37.4	28.3	44.4	36.0	34.3	26.8	41.3	32.8	31.4

See footnotes at end of table.

Table 5. Civilian labor force, entrants and leavers, 2004, 2014, and projected 2024 (numbers in thousands)

Group	2004	2004–14			2014	2014–24			2024
		Entrants	Leavers	Stayers		Entrants	Leavers	Stayers	
Women	32.6	24.8	36.5	31.8	30.2	22.6	32.3	29.8	28.2

Notes:

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

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

Source: U.S. Bureau of Labor Statistics.

Race and Hispanic origin. BLS projects that there will be nearly 26.3 million White entrants to the labor force between 2014 and 2024. This number exceeds the 24.6 million entrants seen during 2004–14. The number of White leavers during the 2014–24 period is projected to be 23.5 million, 1.2 million more than the 22.3 million leavers who exited the labor force over the 2004–14 timeframe. The White labor force will grow from 123.3 million in 2014 to 126.1 million in 2024, an increase of 2.8 million.

Blacks are projected to add 1.9 million workers to the labor force between 2014 and 2024. BLS expects that 14.5 percent of all those who enter the labor force, and nearly 12.0 percent of all those who leave it, during this period will be Black.

In 2004, Hispanics in the labor force numbered 19.3 million, composing 13.1 percent of the total workforce. Because of their higher levels of immigration, more than 8.0 million Hispanics entered the labor force during 2004–14. Over the same timespan, just 1.9 million Hispanics left the labor force, reflecting the group's relatively young age composition. By 2014, the Hispanic labor force numbered 25.4 million, making up 16.3 percent of the total labor force. The Hispanic labor force is projected to grow by 7.1 million, increasing to 32.5 million in 2024. BLS projects that the 2014–24 timeframe will see about 10.0 million Hispanic entrants and nearly 2.9 million Hispanic leavers. The Hispanic share of the labor force is expected to increase more than that of any other demographic group, because of both overall population growth—from higher births and increased immigration—and higher labor force participation rates.

About 3.0 million Asians are projected to enter the labor force during the 2014–24 period, while 1.2 million are expected to leave. As a result, the share of Asians in the labor force is projected to rise from 5.6 percent in 2014 to 6.6 percent in 2024. Increases in the number of Asians in the labor force reflect their continued high immigration and high labor force participation rates.

The aging labor force

As a result of increases in life expectancy due to healthier lives, and as a result of declining birthrates, the U.S. population is getting older. There are different methods for analyzing the age structure of the population and labor force. One method is to calculate the median ages of the population and labor force. The median age is an index that summarizes the age distribution of the labor force. The median age is the age such that half of the labor force is above it and half below. All of the various methods point to the rapid aging of the U.S. population, a phenomenon

that has a considerable effect on labor market behavior and its measures, such as the participation rate and unemployment. As the large numbers of baby boomers entered the labor force in the past, the median age of the labor force decreased. As the baby boomers have aged, so has the labor force, and as a result, the median age of the labor force has been increasing, from 37.7 in 1994, to 40.3 in 2004, to 41.9 in 2014. The median age is expected to increase even more, to 42.4 in 2024. (See table 6.)

Table 6. Median age of the labor force, by gender, race, and ethnicity, 1994, 2004, 2014, and projected 2024

Group	1994	2004	2014	2024
Total	37.7	40.3	41.9	42.4
Men	37.7	40.1	41.8	42.0
Women	37.7	40.5	42.0	42.8
Race:				
White	37.7	40.8	42.6	43.0
Black	36.0	38.6	39.6	40.0
Asian	37.5	39.3	41.2	42.8
Ethnicity:				
Hispanic origin	33.7	35.0	37.3	38.9
White non-Hispanic	38.5	41.8	44.1	44.4

Source: U.S. Bureau of Labor Statistics.

For much of the past six decades, the men's labor force has been older than the women's labor force. In 1994, the median age of both was 37.7 years. By 2004, however, the median age of the men's labor force had risen to 40.1 years while the median age of the women's labor force was older, but a still close 40.5 years. The median age of women in the labor force surpassed that of men beginning in 2004. By 2014, the median age of the women's labor force was 42.0 years whereas that of the men's stood at 41.8 years. The trend is expected to continue over the 2014–24 timeframe, with the median age of the women's labor force increasing by much more than that of the men's, reflecting not only the higher level of participation of older women, but the withdrawal of older men from the labor force.

Historically, White participants have been older than the rest of the labor force, and they will continue to be older in 2024. Compared with Whites, Blacks and Hispanics are younger, reflecting their higher birthrates and larger shares of young workers in the labor force. Hispanics are projected to continue to have a lower median age than the overall labor force, but their median age of 35.0 years in 2004 increased to 37.3 years in 2014, reflecting the aging of earlier immigrants. BLS projects that the median age of the Hispanic labor force will increase to 38.9 in 2024.

Black participants have been about 1.7 to 2.5 years younger than the overall labor force, and BLS projects that this age gap will continue through 2024. Asian labor force participants have been slightly younger than the overall labor force, but that trend is expected to change by 2024.

Economic dependency

The economic dependency ratio is a measure of the number of people in the total population (including the Armed Forces overseas and children) who are *not* in the labor force, per hundred of those who are. (See table 7.) In 2014, for every 100 people in the labor force, 103 were not. Of those 103, about 42 were under 16 years of age, 38 were 16 to 64 years of age, and 24 were older than 65.

Table 7. Economic dependency ratio,[1] 1994, 2004, 2014, and projected 2024

Group	1994	2004	2014	2024
Total population	96.4	96.7	102.6	108.1
Under 16	45.8	43.7	41.9	42.0
16 to 64	29.6	33.0	37.6	36.9
65 and older	22.2	21.0	24.0	30.1

Notes:

[1]The ratio of the number of people in the total population who are not in the labor force, per hundred of those who are.

Source: U.S. Bureau of Labor Statistics.

The dependency ratio of older people has been increasing since 2004. The older age group had by far the smallest dependency ratio then, and it is still expected to be the smallest by 2024. However, with the aging of the population, the dependency ratio of older people has grown, and BLS projects that it will continue increasing, to 30 in 2024.

Risks to labor force projections

In the BLS labor force projections model, population growth is the key factor contributing to the growth of the labor force. In projecting the civilian noninstitutional population, the immigration assumption in the Census Bureau's population projection is the most critical and the most uncertain assumption. The Census Bureau's population projections have continued to point to a lower growth of the population, a slowdown resulting not only from the immigration assumption, but also from declining fertility rates in the years to come.[20] However, by relaxing or otherwise modifying these assumptions, one can arrive at different sets of results. If, through a different immigration policy, more immigrants enter the country, then the growth of the population, and thus the growth of the labor force, will be greater.

In addition, other policies can affect the participation rate behavior of certain groups, thereby influencing the growth of the labor force. One such policy that would affect the labor force participation rate of younger women would be to provide more family-friendly programs, including a more affordable daycare system. Such programs would enable more women to join the labor force, increasing both the women's and aggregate participation rate and, consequently, increasing the growth of the labor force.

Summary

Every 2 years, BLS reestimates and updates its labor force participation rates on the basis of the latest actual readings, which, in turn, reflect all the latest changes in economic and noneconomic factors that have affected the labor force. (See appendix.) BLS projections imply that the long-run trend of the aggregate labor force participation rate will likely be declining over the next 10 years. Currently, a large number of baby boomers are exiting the labor

force. The leading edge of the baby boomers turned 62 in 2008 and became eligible for Social Security retirement benefits. Since then, large numbers of them have been exiting the labor force every year. Women's participation rates already peaked more than a decade ago. Younger people are staying in school longer in order to be able to obtain better paying jobs in the future; thus, they are entering the labor force later. Accordingly, the participation rates for most of the age, gender, race, and ethnic groups are projected to decrease over the 2014–24 period. Consequently, BLS projects that, as a result of all these factors, the slower growth of the labor force that we have seen since 2000 will continue, at 0.5 percent from 2014 to 2024.

BLS also projects that the downward pressure on the overall labor force participation rate will continue over the 2014–24 period and the rate will gradually decline, reaching 60.9 percent in 2024. The declining participation rate, combined with the aging of the population, will result in the labor force continuing to grow, but at its current average annual rate of 0.5 percent, slightly less than the 0.6 percent registered in 2004–14.

APPENDIX: Trend versus cycle

Faced with a steady decrease in the labor force participation rate, economists and policy makers are debating the reasons underlying the substantial decline in participation that has taken place since the peak of 67.1 percent over the years 1997 to 2000. Economists are divided on the subject. Some believe that the decrease in the participation rate is a long-term phenomenon resulting from demographic and structural changes occurring in the U.S. economy. Others suggest that the current decline in the participation rate is mainly a short-term cyclical factor caused by weak demand for labor and insufficient opportunities in the job market.

On the demographic side, economists believe that the change in the age composition of the population is the primary factor responsible for the recent downward trend in the labor force participation rate. A prime example of a demographic change affecting the labor market is the aging of the baby-boom generation, born between 1946 and 1964. By their sheer numbers, the baby boomers always have been a generator of change at whatever stage of life they entered. A positive demographic effect was experienced back in the 1970s when baby boomers joined the prime-age (25 to 54 years) workforce and caused an increase in the labor force participation rate. In 2000, when all the baby boomers were in the prime-age group—the group with the highest participation rate—the overall participation rate soared to its highest level. By contrast, the U.S. labor market is now experiencing a negative demographic compositional effect as the baby-boom population moves from an age group with a higher participation rate to an age group with a lower participation rate. In 2015, this large segment of the population was between 51 and 69 years old, ages whose labor force participation rates are much lower than those of the prime-age group. The sheer size of the baby boomers and their current shift to older age groups, according to this worldview, has resulted in the current decrease in the overall participation rate and will affect the growth of the labor force for at least another 10 years.

On the other side are economists who attribute the decline in the labor force participation rate to cyclical factors or the boom and bust cycles in the economy. During economic expansions, job opportunities abound. Those who are marginally attached to the labor market may participate more actively, those who are contemplating retirement may alter their plans, and those who are thinking of going to school may defer their education. During economic downturns, all those factors work in reverse, leading to a lower overall participation rate. Economists and policy makers of this camp believe that economic downturns in general, and the recession of 2007–09 in particular, are

responsible for the decline in the labor force participation rate by lowering the level of economic activity and suppressing aggregate demand.

Most economists who have studied the recent downward trend in the labor force participation rate have taken both demographic and cyclical factors into consideration in their analysis and predict that a declining labor force participation rate will continue in the future. The question becomes, To what extent do any of these factors affect the movement of the labor force participation rate? One answer comes from the president's Council of Economic Advisors, which estimates that the decline in the overall labor force participation rate can be attributed to three main sources:[21]

- About half of the decline is due to the aging of the population.
- About one-sixth of the decline is a cyclical decline.
- About one-third of the decline arises from other factors.

The Council of Economic Advisors projects that "continued recovery…in the [labor force] participation rate from cyclical factors will be roughly offset by the aging effect, leading to a mostly unchanged participation rate on net….Once [the effect of] the cyclical rebound fades,…assuming no policy or other structural changes, the participation rate will resume its downward trend [because of] aging."

In its latest analysis of the labor market, the Congressional Budget Office (CBO) concludes, "Of the roughly 3 percentage-point net decline in the labor force participation rate between the end of 2007 and the end of 2013, about 1½ percentage points was the result of long-term trends (primarily the aging of the population), about 1 percentage point was the result of temporary weakness in employment prospects and wages, and about one-half of a percentage point was attributable to unusual aspects of the slow recovery that led workers to become discouraged and permanently drop out of the labor force."[22] In addition, CBO projects that the aging of the population will further reduce labor force participation during the coming decade and that the rate will decline to 60.8 percent by 2024, a significant decline compared with a participation rate of 66.0 at the end of 2007.

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NOTES

[1] See *Population projections: 2012 national population projections* (U.S. Census Bureau, December 18, 2014), https://www.census.gov/population/projections/data/national/2012.html; "U.S. Census Bureau projections show a slower growing, older, more diverse nation a half century from now," Newsroom Archive (U.S. Census Bureau, December 12, 2012), https://www.census.gov/newsroom/releases/archives/population/cb12-243.html; and "Census Bureau lowers U.S. growth forecast, mainly due to reduced immigration and births" (Washington, DC: Pew Research Center, Social & Demographic Trends, December 14, 2012), http://www.pewsocialtrends.org/2012/12/14/census-bureau-lowers-u-s-growth-forecast-mainly-due-to-reduced-immigration-and-births/censuspopproj2012birthsdeathsimm-5/.

[2] The civilian labor force consists of employed and unemployed persons actively seeking and available for work, but does not include any Armed Forces personnel or persons in institutions such as a mental health facility or prison. Historical data for this series are from the Current Population Survey (CPS), a monthly survey of households conducted by the Census Bureau for the Bureau of Labor Statistics.

[3] The CPS provides statistics on the employment and labor force status of the civilian noninstitutional population 16 years and older and is collected from a probability sample of approximately 60,000 households.

[4] See *Population projections: 2012 national population projections* and "U.S. Census Bureau projections show a slower growing, older, more diverse nation."

[5] In the Census Bureau's projections, fertility rates were calculated from National Center for Health Statistics birth data and Census Bureau estimates of the female population.

[6] For a precise definition of *total fertility rate*, see Sally C. Clarke and Stephanie J. Ventura, "Birth and fertility rates for states: United States, 1990," in *Vital and Health Statistics*, series 21: Data on nativity, marriage, and divorce, no. 52 (U.S. Department of Health and Human Services, December 1994), http://www.cdc.gov/nchs/data/series/sr_21/sr21_052.pdf; and Joyce A. Martin, Brady E. Hamilton, Stephanie J. Ventura, Michelle J. K. Osterman, Elizabeth C. Wilson, and T. J. Mathews, "Births: final data for 2010," *National Vital Statistics Reports*, vol. 61, no. 1, August 28, 2012, http://www.cdc.gov/nchs/data/nvsr/nvsr61/nvsr61_01.pdf.

[7] See Arialdi M. Miniño and Sherry L. Murphy, *Death in the United States, 2010*, NCHS Data Brief no. 99 (U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Health Statistics, July 2012), http://www.cdc.gov/nchs/data/databriefs/db99.pdf.

[8] "U.S. Census Bureau projections show a slower growing, older, more diverse nation."

[9] "The Hispanic Population in the United States: 2012" (U.S. Census Bureau, Nov. 20, 2013), https://www.census.gov/population/hispanic/data/2012.html. See also "The Asian Population in the United States: 2012" (U.S. Census Bureau, 2012), https://www.census.gov/prod/2004pubs/censr-17.pdf.

[10] According to the U.S. Census Bureau, White non-Hispanics are those who are of the White race and of neither Hispanic nor Latino origin.

[11] See Abraham Mosisa and Steven Hipple, "Trends in labor force participation in the United States," *Monthly Labor Review*, October 2006, pp. 35–57.

[12] Ibid.

[13] CPS data, including labor force data, are based on detailed age categories and do not provide any generational information, such as "baby bust," "millennial," or "baby-boom echo." There are no exact definitions and no exact start and end dates as to when the baby-bust generation was born. However, that generation corresponds roughly to those born from early 1965 to 1975, a period during which the birthrate fell.

[14] Mosisa and Hipple, "Trends in labor force participation."

[15] The Business Cycle Dating Committee of the National Bureau of Economic Research maintains a chronology of the U.S. business cycle. The chronology comprises alternating dates of peaks and troughs in economic activity. A recession is a period between a peak and a subsequent trough, and an expansion is a period between a trough and a subsequent peak. (See *U.S. business cycle expansions and contractions* (Cambridge, MA: National Bureau of Economic Research, updated daily), http://www.nber.org/cycles/cyclesmain.html.)

[16] CPS data, including data on the labor force, are based on detailed age categories and provide no generational information, such as which age group or groups are considered "millennials." Nor are there any exact definitions or exact starting and ending dates indicating when the millennial generation was born. However, the millennials correspond roughly to people born in the early 1980s to 2000. If we accept this definition, then the millennial generation corresponds roughly to the 16-to-24 and 25-to-34 age groups combined.

[17] Hispanics can belong to any race group, such as Black Hispanics, Asian Hispanics, or Hispanics in the "all other" race category. As a result, the combined share of Hispanics, Blacks, Asians, and those belonging in the "all other" category may be even higher than the 43 percent of the labor force mentioned here.

[18] "Most children younger than age 1 are minorities, Census Bureau reports," Newsroom archive (U.S. Census Bureau, May 17, 2012), https://www.census.gov/newsroom/releases/archives/population/cb12-90.html.

[19] Entrants and leavers are computed by comparing the labor force numbers for birth cohorts at two points in time. If a given cohort has more labor force participants at the second point than at the first, the difference is termed the entrants. If the cohort has fewer labor force participants at the second point, the difference is the leavers. These concepts understate the numbers likely to enter and leave the labor force over the period covered by the two points in time, but still permit a valid comparison. For a further discussion of the methods, see Howard N Fullerton, Jr., "Measuring rates of labor force dynamics," *Proceedings of the Social Statistics Section of the American Statistical Association* (Alexandria, VA: American Statistical Association, 1993).

[20] See *Population projections: 2012 national population projections*; "U.S. Census Bureau projections show a slower growing, older, more diverse nation a half century from now"; and D'Vera Cohn, "Census Bureau lowers U.S. growth forecast, mainly due to reduced immigration and births" (Washington, DC: Pew Research Center, December 14, 2012), http://www.pewsocialtrends.org/2012/12/14/census-bureau-lowers-u-s-growth-forecast-mainly-due-to-reduced-immigration-and-births/.

[21] See *The labor force participation rate since 2007: causes and policy implications* (Executive Office of the President of the United States, July 2014), https://www.whitehouse.gov/sites/default/files/docs/labor_force_participation_report.pdf.

[22] See "The slow recovery of the labor market" (Congressional Budget Office, February 4, 2014), http://www.cbo.gov/sites/default/files/45011-LaborMarketReview.pdf.

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