

# **Charting the U.S. Labor Market in 2005**

**U.S. Department of Labor  
Bureau of Labor Statistics  
June 2006**



## **Charting the U.S. labor market in 2005**

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- This report includes graphs and text describing the U.S. labor market in 2005. Highlights include information about educational attainment, race and Hispanic ethnicity, women, and families.
- These data were compiled from several statistical programs of the Bureau of Labor Statistics and are presented together to give an overview of the employment and unemployment situation for the nation that presents both recent data and historical trends over time.

## **Table of contents**

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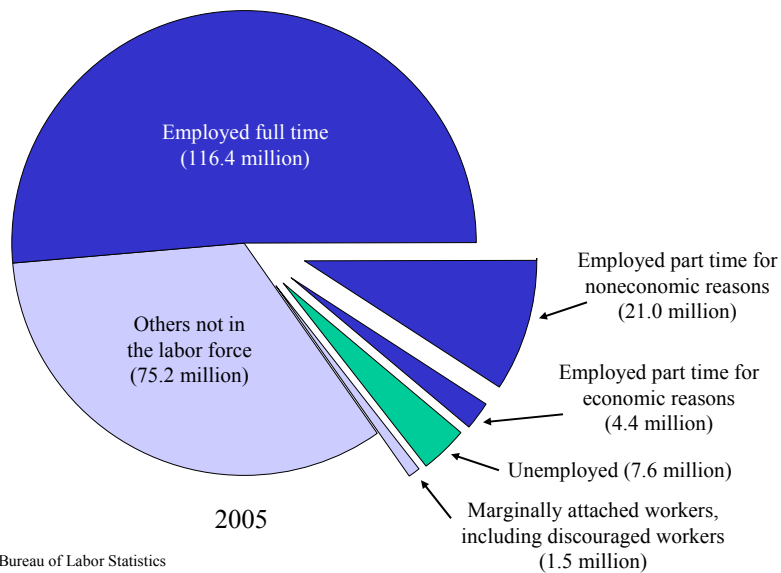
- Section 1. Major indicators
- Section 2. Education
- Section 3. Employment relationships
- Section 4. Race and Hispanic ethnicity
- Section 5. Women
- Section 6. Families

**Section 1**  
**Major Indicators**

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**Chart 1-1. More than half of the population 16 years of age and over works full time**

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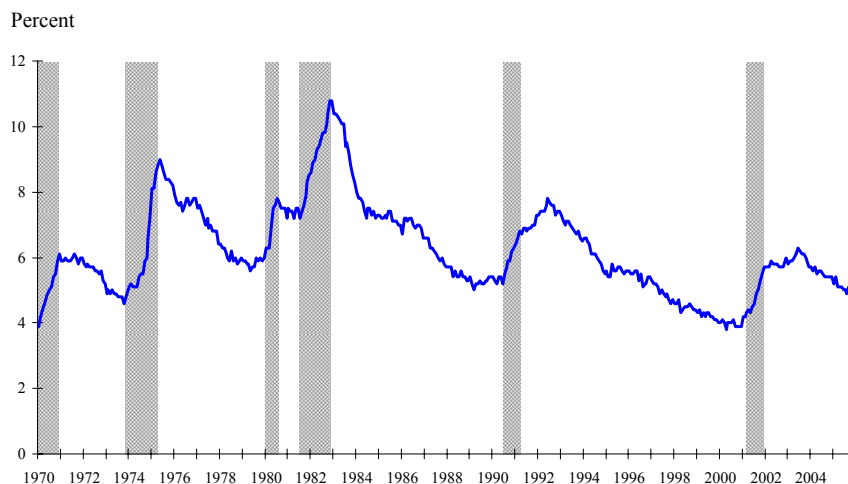
**Chart 1-1. More than half of the population 16 years of age and over works full time**

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- More than half of the 226 million persons in the civilian noninstitutional working-age population in 2005 were employed full time. An additional 11 percent were working part time, with a large majority of these workers preferring a part-time schedule.
- Of the third of the population not in the labor force (neither working nor looking for work), a relatively small number (1.5 million) were classified as "marginally attached" workers—persons who want to work, are available for work, and had looked for a job in the past year but are not currently looking either because they are discouraged about job prospects or because certain conditions, like family responsibilities, impede their entry into the job market.
- The vast majority of persons not in the labor force do not want to work.

## Chart 1-2. The unemployment rate is down from its most recent peak in June 2003

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NOTE: Shaded areas represent recessions. Data are seasonally adjusted.

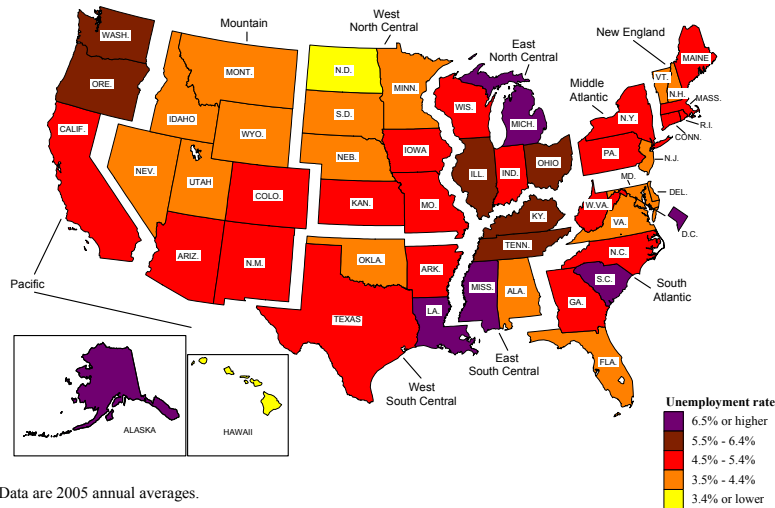
SOURCE: Bureau of Labor Statistics

## Chart 1-2. The unemployment rate is down from its most recent peak in June 2003

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- The unemployment rate rose from 4.3 percent at the onset of the most recent recession in March 2001 (as designated by the National Bureau of Economic Research) to 6.3 percent in June 2003. It had declined to 4.9 percent by December 2005.
- At the onset of the recession in March 2001, some 11 percent of unemployed persons had been looking for work for 27 weeks or longer. This share of long-term unemployed rose to nearly 24 percent of all unemployed persons by March 2004 before declining to about 18 percent by the end of 2005.

**Chart 1-3. In 2005, unemployment rates were lowest in the South Atlantic States and highest in the East North Central States**



NOTE: Data are 2005 annual averages.

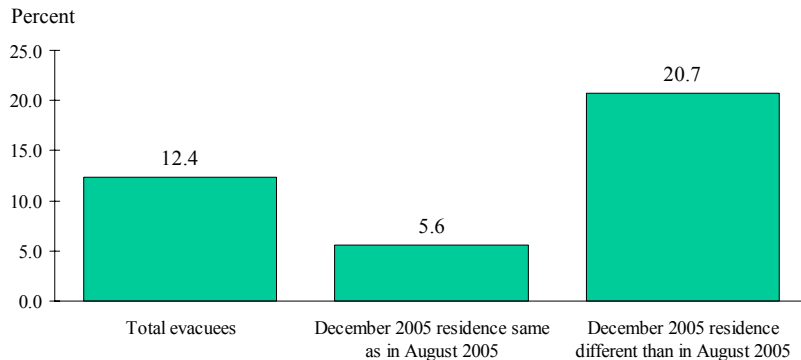
SOURCE: Bureau of Labor Statistics

**Chart 1-3. In 2005, unemployment rates were lowest in the South Atlantic States and highest in the East North Central States**

- In 2005, Hawaii reported the lowest unemployment rate among the states, 2.8 percent. North Dakota had the next lowest rate, 3.4 percent, closely followed by Vermont and Virginia, 3.5 percent each. The highest rates were recorded in Mississippi and Louisiana (7.9 and 7.1 percent, respectively), reflecting the impact of the Gulf Coast hurricanes.
- The largest unemployment rate declines from 2004 to 2005 occurred in Alabama and Oregon (-1.2 percentage points each).
- The largest jobless rate increases for 2005 were recorded by the two states most affected by the Gulf Coast hurricanes: Mississippi (+1.6 percentage points) and Louisiana (+1.4 percentage points).

**Chart 1-4. The unemployment rate for Hurricane Katrina evacuees was much lower for those who were living in their August (pre-Katrina) residence than for those who were not**

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December 2005 unemployment rates for persons who evacuated from their August 2005 residence, even temporarily, due to Hurricane Katrina

NOTE: Data refer to persons in the civilian noninstitutional population age 16 and over who resided in households that were eligible to be selected for the Current Population Survey. These data are not representative of the total evacuee population because they do not include children or people residing in shelters, hotels, places of worship, or other units outside the scope of the survey.

SOURCE: Bureau of Labor Statistics

**Chart 1-4. The unemployment rate for Hurricane Katrina evacuees was much lower for those who were living in their August (pre-Katrina) residence than for those who were not**

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- Information gathered in December 2005 showed that about 1.1 million persons age 16 and over had evacuated from their August residence, even temporarily, due to Hurricane Katrina. About 600,000 of these evacuees were living in their August 2005 residences when surveyed in December 2005; the remainder were living in other residential units covered in the survey.
- Monthly data collected through special questions on Katrina evacuees do not account for all persons who evacuated; those living outside of the scope of the survey—such as persons living in hotels or shelters—are not included. The questions were asked of persons in the household survey sample throughout the country, since some evacuees relocated far from the storm-affected areas.
- The unemployment rate for persons identified as evacuees was 12.4 percent. The rate for evacuees who were again living in their August (pre-Katrina) homes (5.6 percent) was much lower than for those who were not (20.7 percent).

### Chart 1-5. From the onset of the recession to the end of 2005, labor force participation rates were down, except among older workers

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NOTE: As defined by the National Bureau of Economic Research (NBER), the recession lasted from March to November 2001.

SOURCE: Bureau of Labor Statistics

### Chart 1-5. From the onset of the recession to the end of 2005, labor force participation rates were down, except among older workers

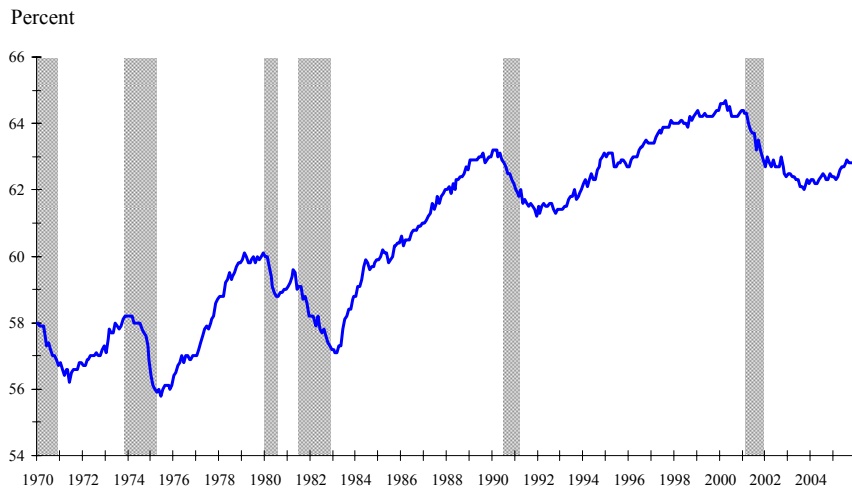
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- The participation rate of youth 16 to 24 years old fell by about 5 percentage points between March 2001 and December 2005. The rates for men and women ages 25 to 54 years also were down over that period.
- The labor force participation rate for persons 55 years and over has trended up since the early 1990s. From the onset of the recession in March 2001 to December 2005, the rate increased by nearly 5 percentage points.
- While men ages 55 and older are more likely than their female counterparts to participate in the labor force, the increase in the participation rate for women was slightly larger than that for men over the period.



**Chart 1-6. The percentage of the population that is employed has trended up since September 2003**

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NOTE: Shaded areas represent recessions. Data are seasonally adjusted.

SOURCE: Bureau of Labor Statistics

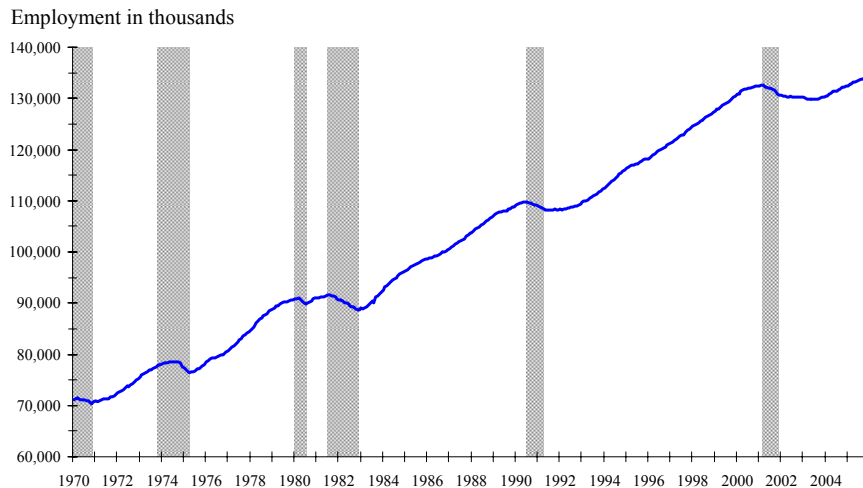
**Chart 1-6. The percentage of the population that is employed has trended up since September 2003**

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- The proportion of the population 16 years and over that was employed fell from a pre-recession peak of 64.7 percent in April 2000 to 62.0 percent in September 2003. The ratio has gradually edged up since then.
- While the employment-population ratio rose to 62.8 percent by the second half of 2005, it is still well below its pre-recession peak.

### Chart 1-7. Nonfarm payroll employment has risen by 4.6 million since its recent low in August 2003

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NOTE: Shaded areas represent recessions. Data are seasonally adjusted.

SOURCE: Bureau of Labor Statistics

### Chart 1-7. Nonfarm payroll employment has risen by 4.6 million since its recent low in August 2003

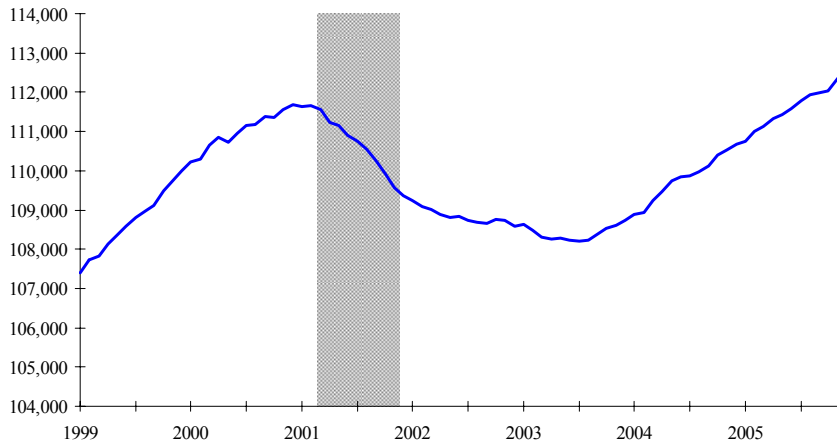
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- Nonfarm payroll employment fell by about 2.7 million from the beginning of the recession in March 2001 to August 2003.
- Between August 2003 and December 2005, payroll employment increased by about 4.6 million, with large gains in construction, professional and business services, health care, and leisure and hospitality.

### Chart 1-8. Private payroll employment began increasing in August 2003

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Employment in thousands



NOTE: Shaded area represents recession. Data are seasonally adjusted.

SOURCE: Bureau of Labor Statistics

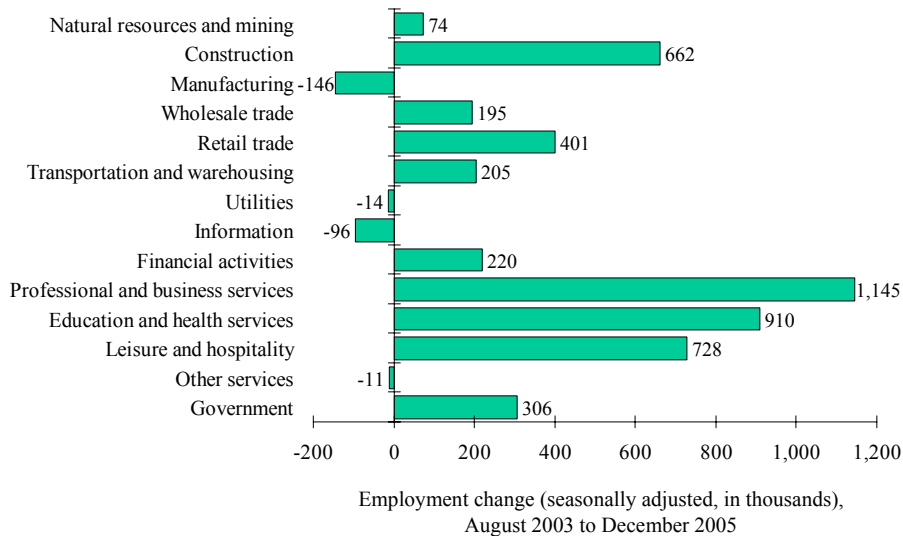
### Chart 1-8. Private payroll employment began increasing in August 2003

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- Private nonfarm employment fell sharply during 2001. The pace of employment declines slowed markedly in 2002.
- Private payroll employment began to increase in August 2003, and by December 2005, about 4.3 million private sector jobs had been added.

**Chart 1-9. Employment rose in most industries from August 2003 to December 2005**

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**Chart 1-9. Employment rose in most industries from August 2003 to December 2005**

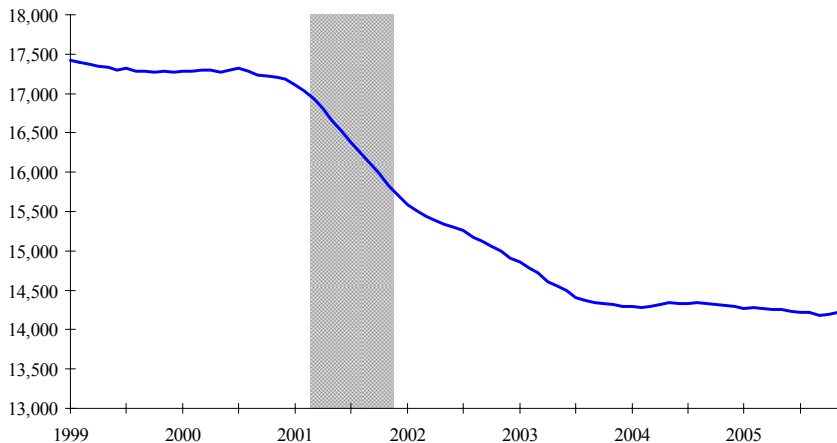
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- The job growth that began in August 2003 was fairly widespread among the major industry sectors. Employment gains in professional and business services, in education and health, and in leisure and hospitality accounted for about 60 percent of job growth over the time period.
- A robust housing market contributed to employment gains in construction and in building-related industries.
- Between August 2003 and December 2005, employment declined in manufacturing and in information.

### **Chart 1-10. Manufacturing employment has edged down slightly since early 2004, following 3 years of sharp declines**

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Employment in thousands



NOTE: Shaded area represents recession. Data are seasonally adjusted.

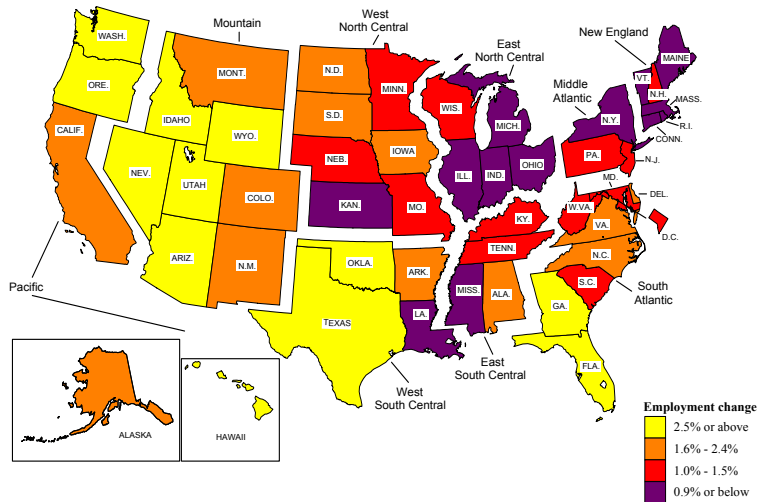
SOURCE: Bureau of Labor Statistics

### **Chart 1-10. Manufacturing employment has edged down slightly since early 2004, following 3 years of sharp declines**

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- From the beginning of the recession in March 2001 through February 2004, manufacturing lost 2.7 million jobs.
- From February 2004 to December 2005, the number of factory workers edged down by 58,000.
- At 40.7 hours per week in 2005, the factory workweek remains below the 41.3 hour manufacturing workweek that prevailed in 2000.

## Chart 1-11. Nonfarm employment rose across most of the Nation in 2005



NOTE: Percent change in nonfarm payroll employment from 2004 to 2005, annual averages.

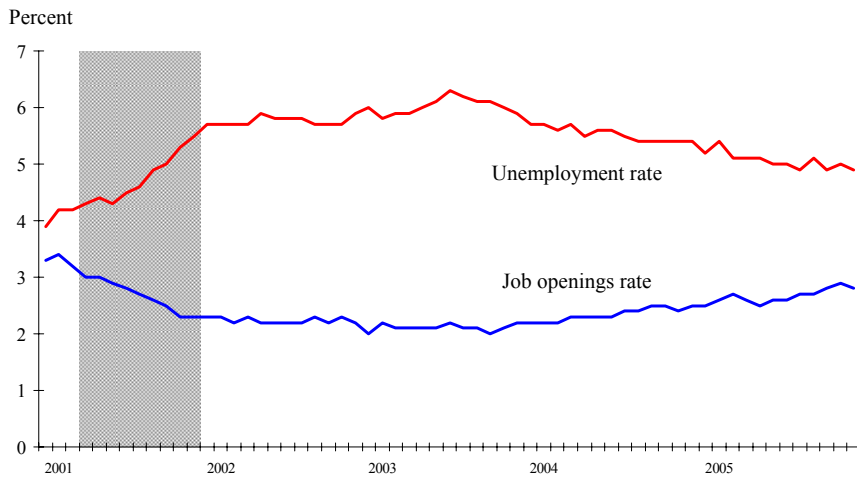
SOURCE: Bureau of Labor Statistics

## Chart 1-11. Nonfarm employment rose across most of the Nation in 2005

- Employment increased in 48 states and the District of Columbia, with 37 states and the District posting increases of 1.0 percent or more over the year. Employment was down in two states and unchanged in one (Maine).
- The largest over-the-year increases in employment occurred in Nevada (6.2 percent) and Arizona (5.3 percent).
- Reflecting the impact of the Gulf Coast hurricanes, Louisiana posted the largest percentage decrease (-2.5 percent) in employment from 2004 to 2005. Michigan registered the only other decrease (-0.2 percent).

### Chart 1-12. The job openings rate generally has moved in the opposite direction of the unemployment rate

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NOTE: Shaded area represents recession. Data are seasonally adjusted.

SOURCE: Bureau of Labor Statistics

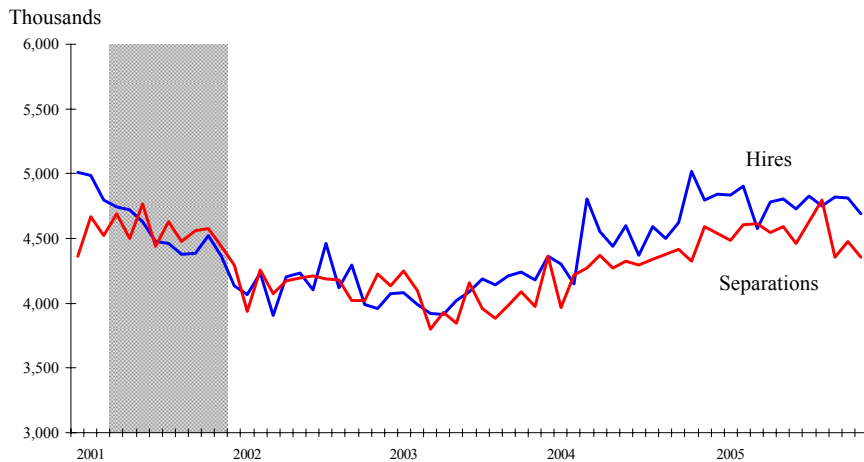
### Chart 1-12. The job openings rate generally has moved in the opposite direction of the unemployment rate

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- The job openings rate (the number of job openings as a percent of employment plus job openings) decreased during the 2001 recession. As the job openings rate edged up from mid-2003 forward, the unemployment rate declined.
- Neither the unemployment rate nor the job openings rate has returned to pre-recession levels.

**Chart 1-13. Since early 2003, the number of hires generally has exceeded separations**

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NOTE: Shaded area represents recession. Data are seasonally adjusted.

SOURCE: Bureau of Labor Statistics

**Chart 1-13. Since early 2003, the number of hires generally has exceeded separations**

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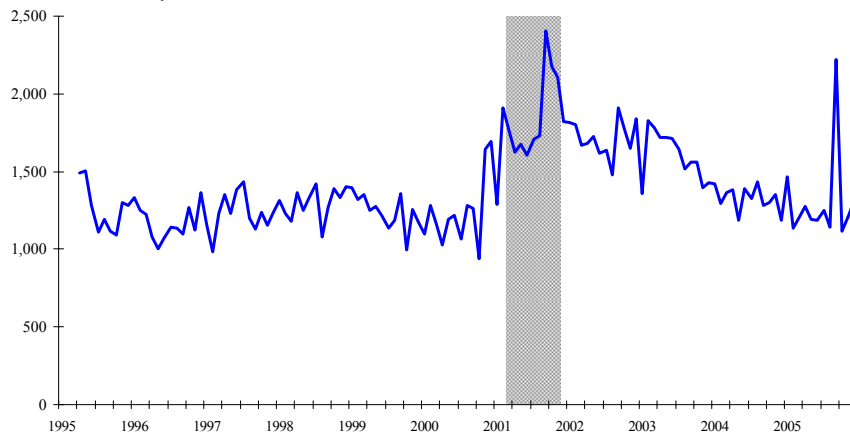
- The average number of monthly hires and separations rose through 2003 and 2004, but showed little net change in 2005, with an average of 4.8 million hires and 4.5 million separations per month.
- The number of hires and separations each month demonstrates that the amount of turnover in the labor market dwarfs net changes in employment.



### Chart 1-14. The number of mass layoff events rose sharply in September 2005 after the Gulf Coast hurricanes

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Number of mass layoff events



NOTE: Shaded area represents recession. Data are seasonally adjusted.

SOURCE: Bureau of Labor Statistics

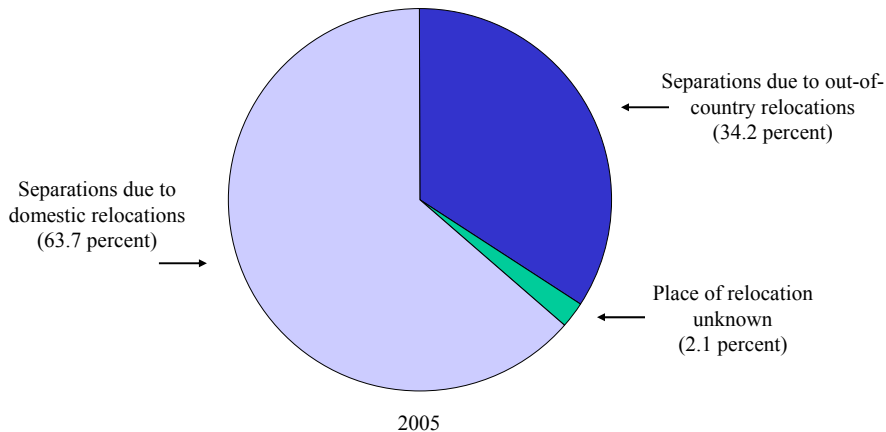
### Chart 1-14. The number of mass layoff events rose sharply in September 2005 after the Gulf Coast hurricanes

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- A mass layoff event occurs when fifty or more initial claims for unemployment insurance benefits are filed against an establishment during a 5-week period.
- The number of mass layoff events rose sharply in September 2005 in the aftermath of the Gulf Coast hurricanes, with 2,219 layoff actions affecting nearly 284,000 workers. The number of layoff actions had been on a declining trend since September 2001.

**Chart 1-15. In 2005, out-of-country relocations accounted for about one-third of workers separated from their jobs due to the relocation of work**

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NOTE: Data refer to extended mass layoffs (private sector nonfarm employers indicated that 50 or more workers were separated from their jobs for at least 31 days) in which the employer reports that work was relocated. These movements of work were to other U.S. locations or to locations outside of the U.S., and they occurred either within the same company or to other companies.

SOURCE: Bureau of Labor Statistics

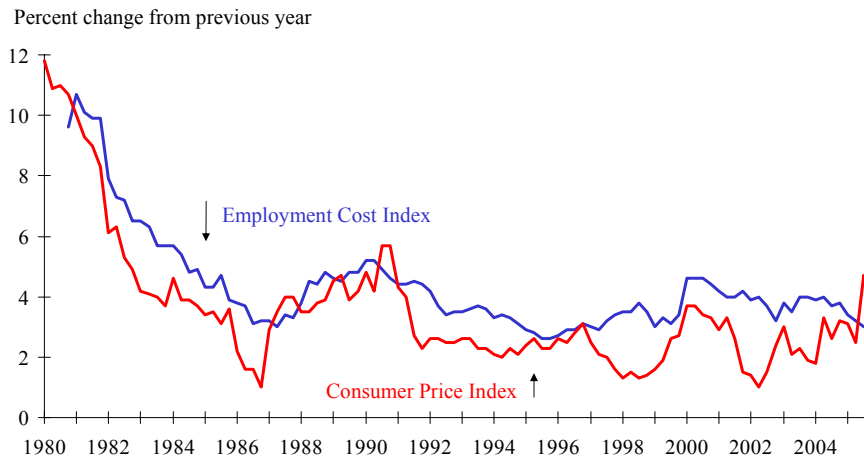
**Chart 1-15. In 2005, out-of-country relocations accounted for about one-third of workers separated from their jobs due to the relocation of work**

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- Of the 33,255 workers separated from their jobs in 2005 due to the relocation of work, the separation of about a third (11,375 workers) was associated with the movement of work outside of the country. Domestic relocation—both within the company and to other companies—affected 21,186 workers.
- Extended mass layoffs and separations associated with the movement of work, domestically or overseas, reflect job loss where at least 50 people filed for unemployment insurance during a 5-week period and the layoff lasted more than 30 days. The extended mass layoff statistics and movement of work measures, therefore, do not reflect layoffs of less than 50 workers at these companies, nor does the program capture layoffs occurring at establishments with fewer than 50 workers. Moreover, these data do not cover situations in which firms initiate or transfer work to new locations when there are no layoffs involved.

### Chart 1-16. Consumer prices usually increase more slowly than private employers' compensation costs

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NOTE: The Employment Cost Index is for private-sector workers. The Consumer Price Index is the CPI-U-RS research series.

SOURCE: Bureau of Labor Statistics

### Chart 1-16. Consumer prices usually increase more slowly than private employers' compensation costs

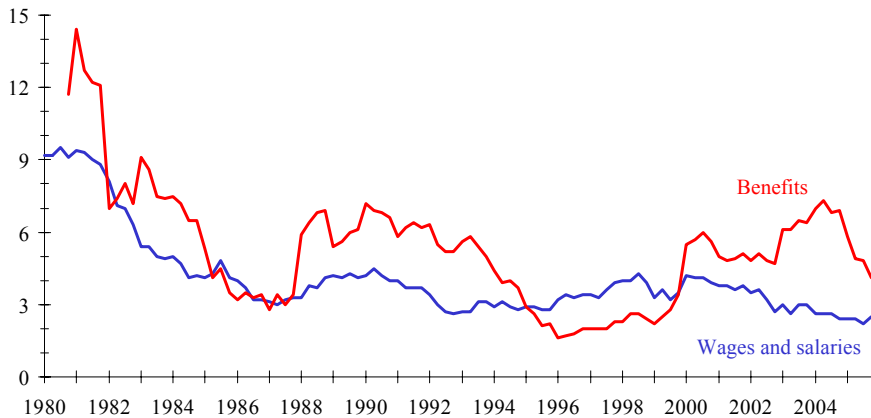
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- The Employment Cost Index (ECI) measures the costs to employers of both employee wages and benefits, and the Consumer Price Index (CPI) measures the average change in prices paid by consumers for a variety of goods and services.
- Changes in the ECI and the CPI have tracked fairly closely over time, though increases in the CPI tend to be smaller than those for the ECI.
- In 2005, however, increases in consumer prices exceeded growth in private employers' compensation costs.

### Chart 1-17. Increases in employer costs for benefits have outpaced gains in wages and salaries since 2000

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Percent change from previous year



NOTE: The Employment Cost Index components are for private-sector workers.

SOURCE: Bureau of Labor Statistics

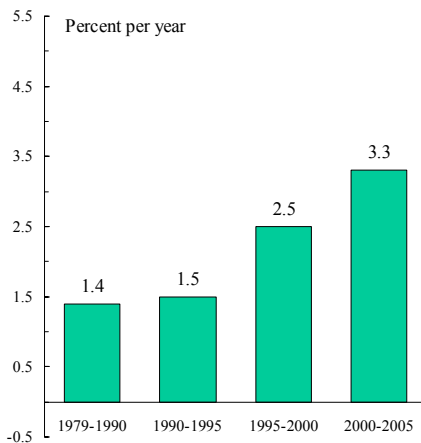
### Chart 1-17. Increases in employer costs for benefits have outpaced gains in wages and salaries since 2000

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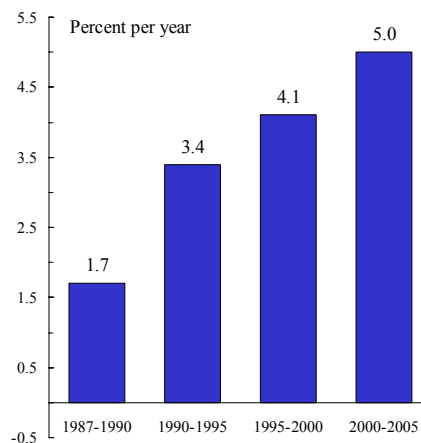
- In the private sector, benefit costs rose 4.1 percent for the year ending December 2005, compared with an increase of 2.5 percent for wages and salaries.
- The cost of benefits typically has risen at a faster pace than wages; although, for a period in the late-1990s, growth in the cost of benefits fell below that of wages.

## Chart 1-18. Labor productivity began to accelerate in the 1990s, led by gains in manufacturing

Output per hour of all persons, nonfarm business sector, 1979-2005



Output per hour of all persons, manufacturing sector, 1987-2005



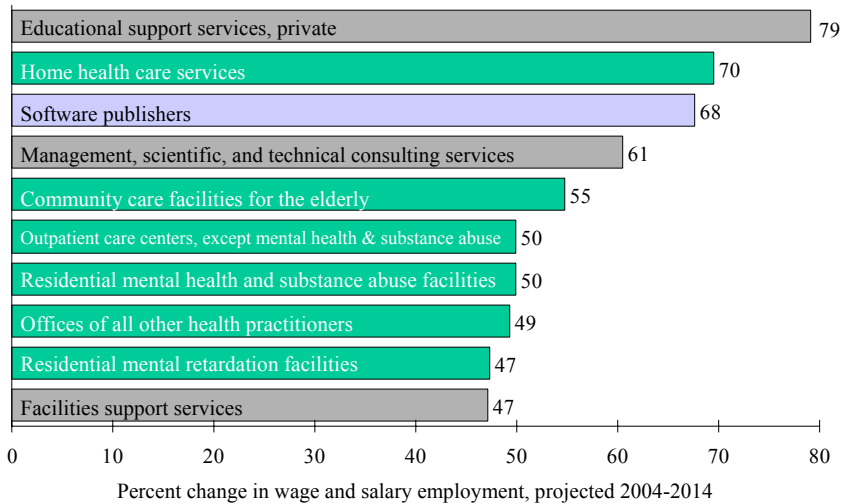
SOURCE: Bureau of Labor Statistics

## Chart 1-18. Labor productivity began to accelerate in the 1990s, led by gains in manufacturing

- Labor productivity relates changes in the real production of goods and services to changes in the hours of all persons working in a sector.
- Since 1990, labor productivity growth has averaged 2.5 percent per year in the total nonfarm business sector and 4.2 percent per year in manufacturing.
- In contrast to earlier long economic expansions, the expansion of the 1990s was marked by higher productivity growth in the latter part of the cycle. Nonfarm business productivity grew by 1.5 percent per year from 1990 to 1995 and by 2.5 percent in the 1995 to 2000 period.
- Higher rates of productivity growth have continued into the current period. Between the first quarter of 2001 and the fourth quarter of 2005, labor productivity grew by 3.4 percent in nonfarm businesses and by 5.4 percent in manufacturing (seasonally adjusted annual rates).

### Chart 1-19. Six of the 10 industries projected to grow the fastest are health related and one is computer related

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SOURCE: Bureau of Labor Statistics

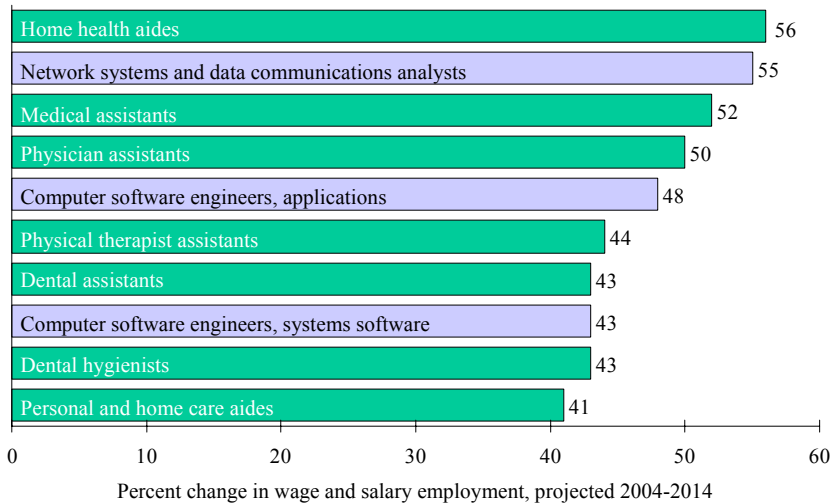
### Chart 1-19. Six of the 10 industries projected to grow the fastest are health related and one is computer related

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- Private educational support services, projected to be the fastest growing industry over the 2004-2014 period, includes educational consulting, guidance counseling, and testing organizations.
- Projected employment growth in health care industries is driven by a growing and aging population that will demand more medical services, and by medical advances that create more types of treatment. Six of the 10 industries projected to grow the fastest are health related, including community care facilities for the elderly and residential care facilities for mental health and substance abuse.
- Information technology will continue to transform the economy and spur job growth in computer-related industries. Software publishing employment has more than doubled since 1990; as firms continue to invest heavily in information technology, employment will continue to grow.

**Chart 1-20. Seven of the 10 occupations projected to grow the fastest are health related and three are computer related**

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SOURCE: Bureau of Labor Statistics

**Chart 1-20. Seven of the 10 occupations projected to grow the fastest are health related and three are computer related**

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- Health care occupations are expected to grow rapidly over the 2004-2014 period as a growing and aging population continues to demand a high level of quality health care services. Health care aide and assistant occupations are projected to grow especially quickly as organizations try to control costs. Aides and assistants are expected to assume some duties formerly done by more highly paid health care workers, such as dentists, physicians, and therapists.
- Computer occupations also are expected to grow rapidly as new technologies develop and as computer use expands. However, growth is projected to be slower than it was in the previous decade due to offshore outsourcing of work and because the maturing computer industry is not expected to grow quite so rapidly as in the past.

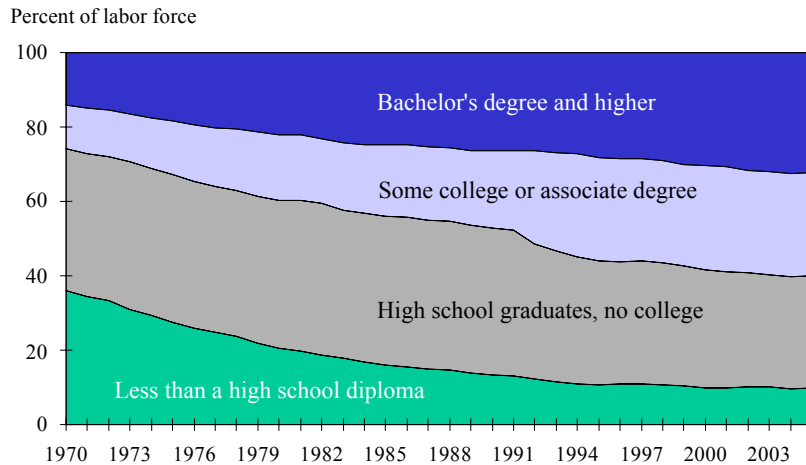
**Section 2**  
**Education**

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## Chart 2-1. The educational attainment of the labor force has improved over time

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NOTE: Data are from the March 1970-2005 Current Population Survey and are for persons age 25-64. Beginning in 1992, data are based on highest diploma or degree received; prior to this time, data were based on years of school completed.

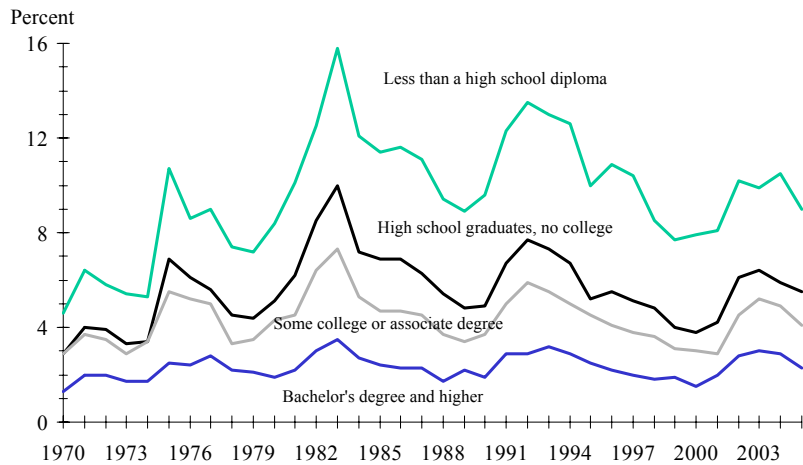
SOURCE: Bureau of Labor Statistics

## Chart 2-1. The educational attainment of the labor force has improved over time

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- Education is an important determinant of labor market outcomes. The more education a person has, the more likely he or she is to be in the labor force and the less likely he or she is to be unemployed.
- The proportion of persons 25 to 64 years old with some college (or an associate degree) more than doubled between 1970 and 2005. The share with a bachelor's degree and higher also more than doubled over the period. In contrast, the share of the labor force with less than a high school diploma declined markedly.

**Chart 2-2. The gap between the unemployment rates of those without a high school diploma and those who have completed college is wider today than it was in 1970**



NOTE: Data are from the March 1970-2005 Current Population Survey and are for persons age 25-64. Beginning in 1992, data are based on highest diploma or degree received; prior to this time, data were based on years of school completed.

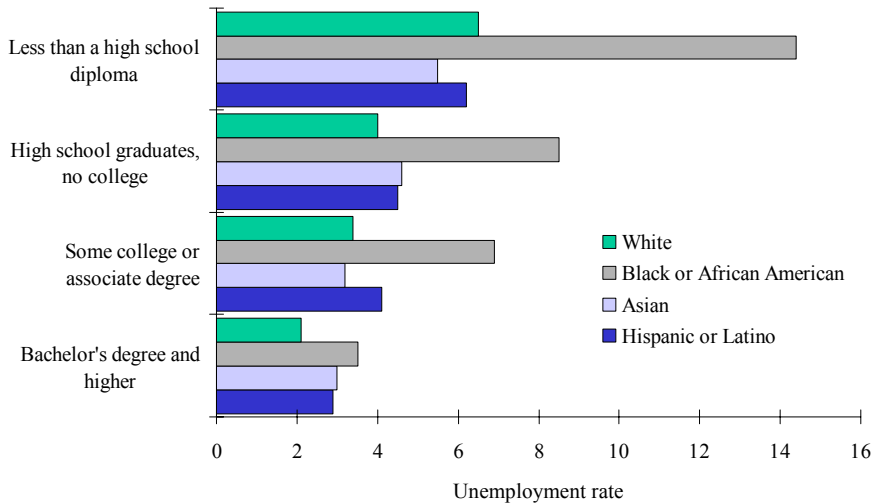
SOURCE: Bureau of Labor Statistics

**Chart 2-2. The gap between the unemployment rates of those without a high school diploma and those who have completed college is wider today than it was in 1970**

- In March 2005, the unemployment rate for persons 25 to 64 years old without a high school diploma was 9.0 percent, while the jobless rate for college graduates was 2.3 percent. This compares with unemployment rates of 4.6 and 1.3 percent, respectively, in 1970.
- The unemployment rate for high school dropouts trended upward until the early 1980s. Although there has been some long-term improvement since then, the rate remains considerably higher than in 1970.
- In contrast, the jobless rate for college graduates has held fairly steady on a long-term basis.

**Chart 2-3. The higher the education level, the lower the unemployment rate**

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NOTE: Data are for persons age 25 and over.

2005

SOURCE: Bureau of Labor Statistics

**Chart 2-3. The higher the education level, the lower the unemployment rate**

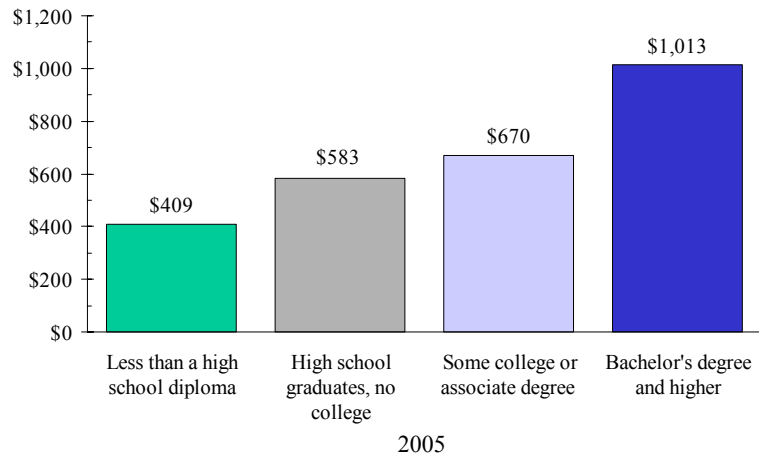
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- Regardless of race or Hispanic ethnicity, unemployment rates generally decline with higher levels of education.
- In 2005, among persons 25 years and over, the unemployment rate of blacks with a college degree (3.5 percent) was about 11 percentage points lower than the rate for blacks who were high school dropouts.
- The unemployment rate for white college graduates (2.1 percent) was about 4 points below that of white high school dropouts.
- The unemployment rate for Hispanic college graduates (2.9 percent) was about 3 points below that of Hispanic high school dropouts.

## Chart 2-4. Education pays

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Median weekly earnings of full-time wage and salary workers 25 years of age and over



SOURCE: Bureau of Labor Statistics

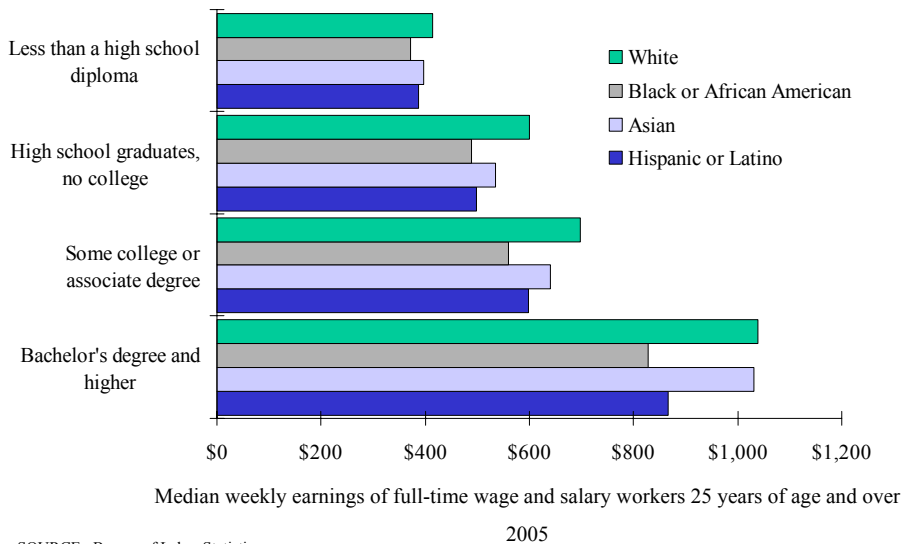
## Chart 2-4. Education pays

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- Earnings increase with higher levels of education.
- For example, among workers 25 years old and over, median weekly earnings of wage and salary workers who usually work full time are nearly two and a half times more for persons with at least a college degree than for those who have not completed high school.

### Chart 2-5. Education pays for everyone, regardless of race or Hispanic ethnicity

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### Chart 2-5. Education pays for everyone, regardless of race or Hispanic ethnicity

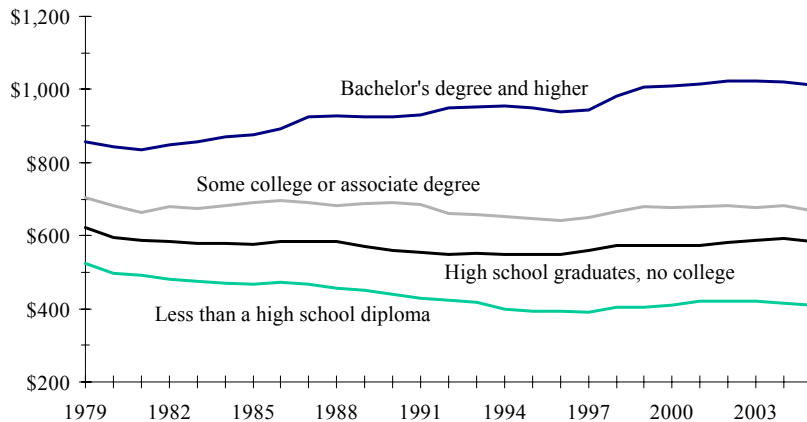
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- Regardless of race or Hispanic ethnicity, college graduates earn substantially more than do high school graduates and more than twice as much as high school dropouts.
- In 2005, for example, median weekly earnings for black high school dropouts were \$372, while earnings for black college graduates were \$828.
- Among Hispanics, median weekly earnings for high school dropouts were \$388, while earnings for Hispanic college graduates were \$866.

## Chart 2-6. Real median weekly earnings for college graduates have trended up over time

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Median weekly earnings of full-time workers (In constant 2005 dollars)



NOTE: Median weekly earnings of full-time wage and salary workers 25 years of age and over. Earnings data have been adjusted using the CPI-U-RS research series. Beginning in 1992, data are based on highest diploma or degree received; prior to 1992, data were based on years of school completed.

SOURCE: Bureau of Labor Statistics

## Chart 2-6. Real median weekly earnings for college graduates have trended up over time

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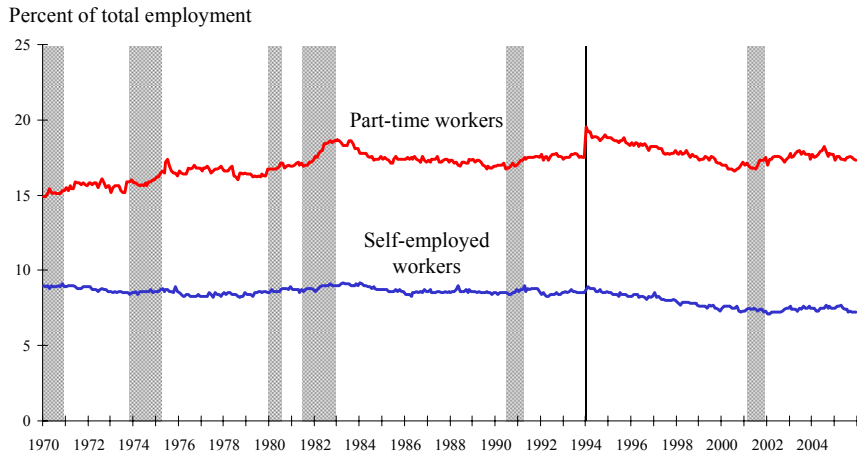
- Only college graduates have experienced growth in real median weekly earnings since 1979. In contrast, high school dropouts have seen their real median weekly earnings decline by about 20 percent.
- Real earnings for high school graduates and for persons with some college or an associate degree were little changed over the 1979-2005 period.
- For most workers, real earnings have been relatively flat since 1999.

**Section 3**  
**Employment Relationships**

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### Chart 3-1. Fewer than 2 in 10 employed persons work part time; fewer than 1 in 10 workers is self-employed

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NOTE: Shaded areas represent recessions. Data are seasonally adjusted. Beginning in 1994, data reflect the introduction of a major redesign of the Current Population Survey that included changes affecting the measurement of part-time workers and self-employment.

SOURCE: Bureau of Labor Statistics

### Chart 3-1. Fewer than 2 in 10 employed persons work part time; fewer than 1 in 10 workers is self-employed

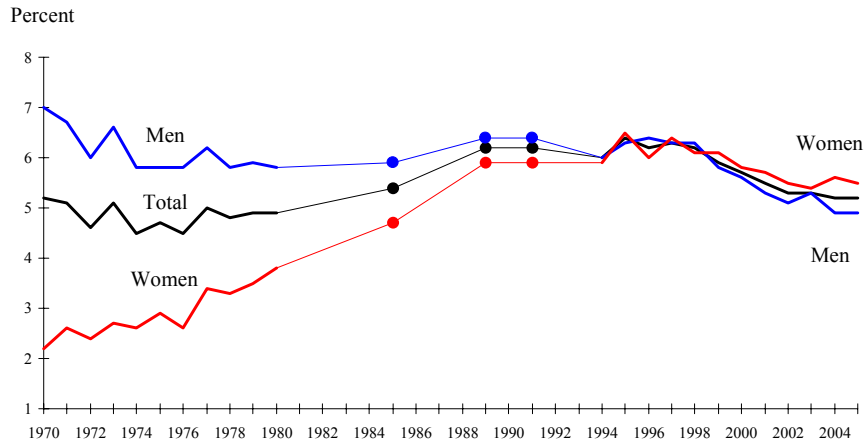
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- In 2005, about 17 percent of all employed persons usually worked part time (less than 35 hours per week). For the vast majority of these workers, a part-time schedule was preferred.
- The pronounced upward shift in part-time employment in January 1994 was due to definitional and measurement changes associated with the redesign of the Current Population Survey.
- In 2005, about 7 percent of all workers were self-employed.



### Chart 3-2. About 1 in 20 workers has more than one job

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NOTE: Data are for May of each year. Beginning in 1994, data reflect the introduction of a major redesign of the Current Population Survey. Comprehensive surveys of multiple jobholders were not conducted in 1981-84, 1986-88, 1990, and 1992-93.

SOURCE: Bureau of Labor Statistics

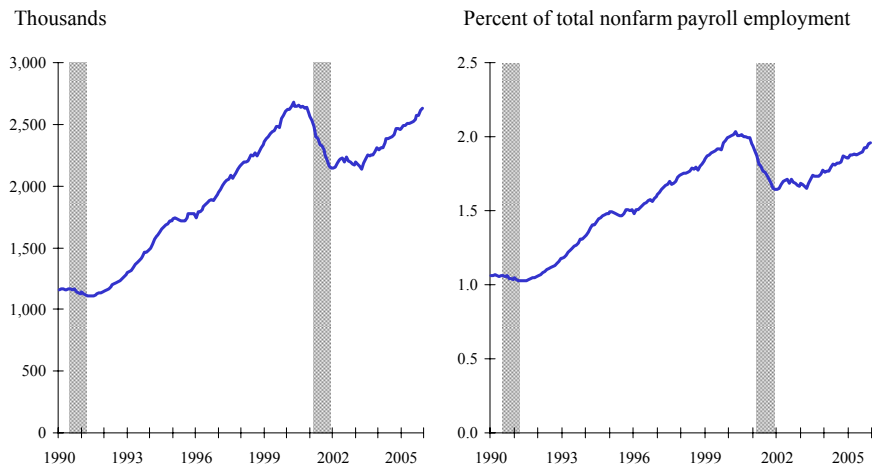
### Chart 3-2. About 1 in 20 workers has more than one job

---

- In May 2005, about 7.3 million workers held more than one job, representing 5.2 percent of all employed persons.
- For women, the multiple jobholding rate rose markedly from 1970 through the end of the 1980s, while the rate for men changed little over this period. For the last several years, women have been somewhat more likely than men to work more than one job.

### Chart 3-3. Employment in temporary help services has been expanding since 2003

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NOTE: Shaded areas represent recessions. Data are seasonally adjusted.

SOURCE: Bureau of Labor Statistics

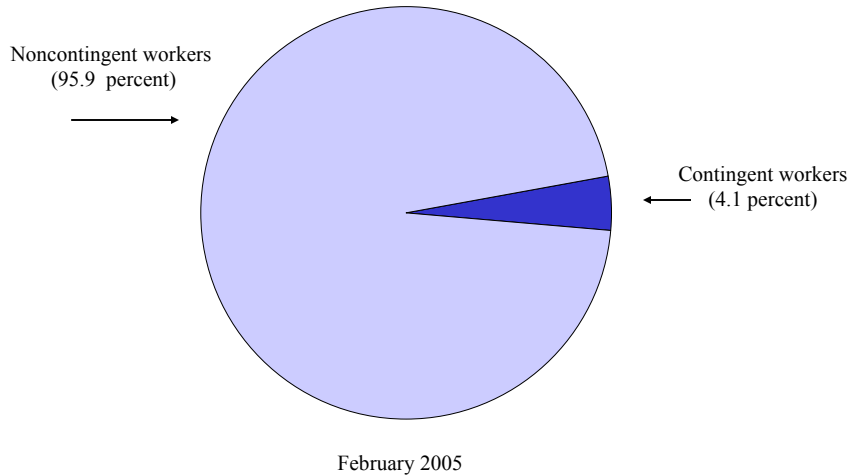
### Chart 3-3. Employment in temporary help services has been expanding since 2003

---

- Employment in temporary help services—an industry that provides workers to many other industries—grew rapidly during the 1990s, but began to decline in 2000. Employment fell sharply in 2001, and was little changed (on net) in 2002.
- Temporary help employment began increasing in 2003; about half a million jobs were added from April 2003 through December 2005.
- At the end of 2005, the industry accounted for nearly 2 percent of total nonfarm payroll employment, about the same share as at its peak in 2000.

**Chart 3-4. In 2005, about 1 in 25 workers could be described as "contingent," believing that they could not work at their job indefinitely**

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SOURCE: Bureau of Labor Statistics

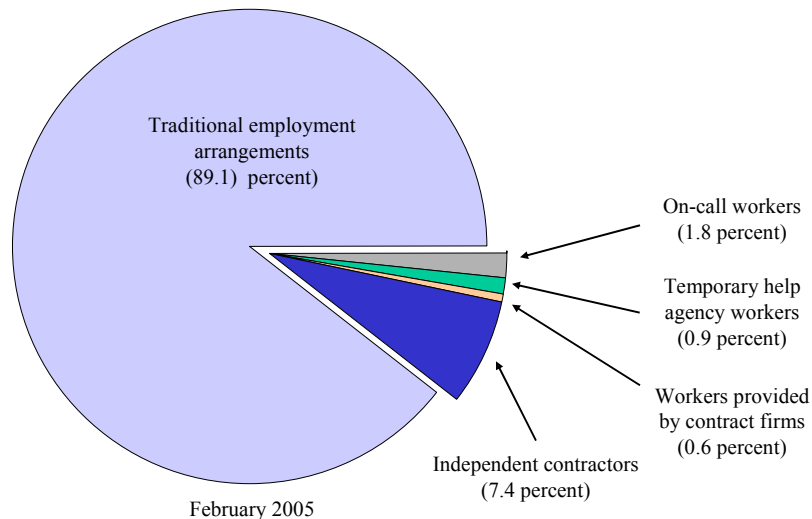
**Chart 3-4. In 2005, about 1 in 25 workers could be described as "contingent," believing that they could not work at their job indefinitely**

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- Conceptually, contingent workers can be thought of as those workers who have no explicit or implicit contract for ongoing employment. Under the broadest definition, which includes workers who do not expect their jobs to last, they made up approximately 4 percent of workers in February 2005. The percentage of workers classified as "contingent" has edged down from about 5 percent in February 1995 (when the data on contingent work were first collected).
- In 2005, slightly more than one-half of contingent workers would have preferred a permanent job; about one-third of contingent workers preferred the contingent arrangement (the remainder were either undecided or did not respond).

**Chart 3-5. In 2005, about 10 percent of employed persons worked in alternative employment arrangements, mostly as independent contractors**

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SOURCE: Bureau of Labor Statistics

**Chart 3-5. In 2005, about 10 percent of employed persons worked in alternative employment arrangements, mostly as independent contractors**

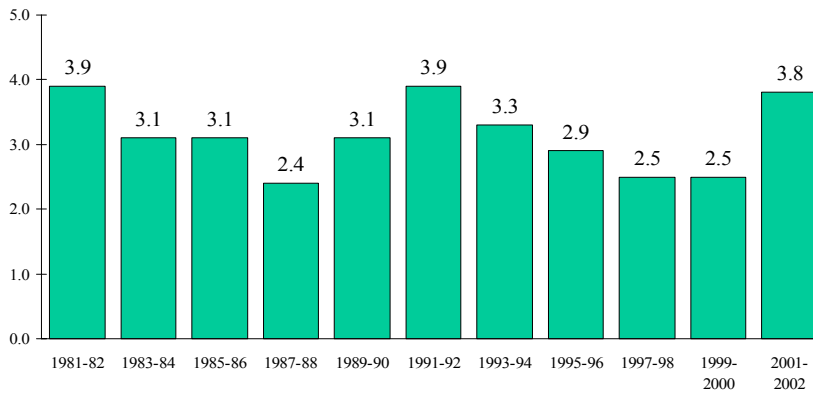
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- About 1 in every 10 workers in February 2005 was employed in an "alternative" employment arrangement. This category includes independent contractors, on-call workers, temporary help agency workers, and workers provided by contract firms.
- Independent contractors accounted for just over two-thirds of those in alternative employment arrangements.
- The vast majority of independent contractors were satisfied with their arrangement. Just over half of temporary help workers would have preferred a traditional employment arrangement.

### Chart 3-6. Displacement rates rise during recessions

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Displacement rate



NOTE: Displaced workers are persons 20 years and older who lost or left jobs they had held for at least 3 years because their plant or company closed or moved, there was insufficient work for them to do, or their positions or shifts were abolished. The 2-year displacement rates shown here are the most recent data available.

SOURCE: Bureau of Labor Statistics

### Chart 3-6. Displacement rates rise during recessions

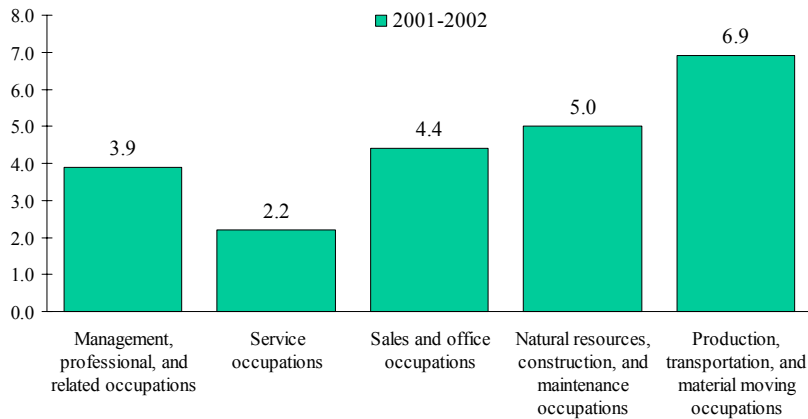
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- The displacement rate—which reflects the likelihood of job loss due to plant or company closings, reduced work loads, or the abolishment of positions or shifts—increases during recessions and falls during recoveries.
- The risk of job loss was higher during the recessions of 1981-82, 1990-91, and 2001 than during other years. As labor market conditions improved following the two earlier downturns, the risk of job loss due to displacement declined.

### Chart 3-7. Workers employed in service occupations were least likely to be displaced in 2001-2002

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Displacement rate



NOTE: Displaced workers are persons 20 years and older who lost or left jobs they had held for at least 3 years because their plant or company closed or moved, there was insufficient work for them to do, or their positions or shifts were abolished. The 2-year displacement rates shown here are the most recent data available.

SOURCE: Bureau of Labor Statistics

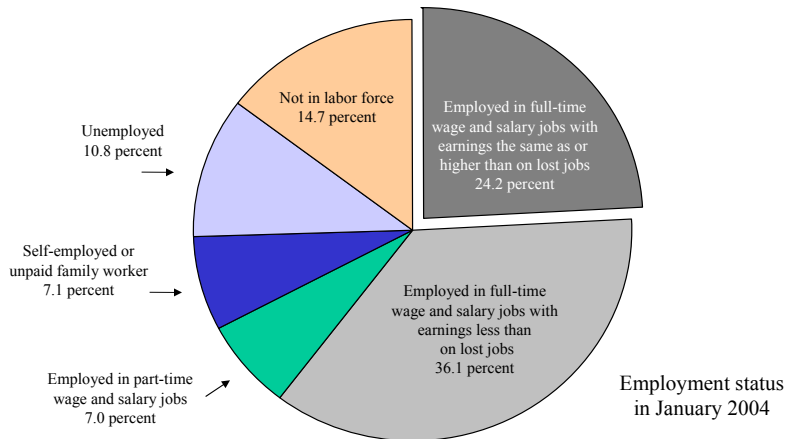
### Chart 3-7. Workers employed in service occupations were least likely to be displaced in 2001-2002

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- The displacement rate reflects the likelihood of job loss due to plant or company closings, reduced work loads, or the abolishment of positions or shifts.
- Workers in service occupations were least likely to be displaced in 2001-2002. In contrast, workers in production, transportation, and material moving occupations were the most likely to be displaced during the period.

**Chart 3-8. About one-quarter of workers displaced from full-time jobs in 2001-2002 found full-time jobs that paid at least what they made on their old jobs**

---



NOTE: Displaced workers are persons 20 years and older who lost or left jobs they had held for at least 3 years because their plant or company closed or moved, there was insufficient work for them to do, or their positions or shifts were abolished.

SOURCE: Bureau of Labor Statistics

**Chart 3-8. About one-quarter of workers displaced from full-time jobs in 2001-2002 found full-time jobs that paid at least what they made on their old jobs**

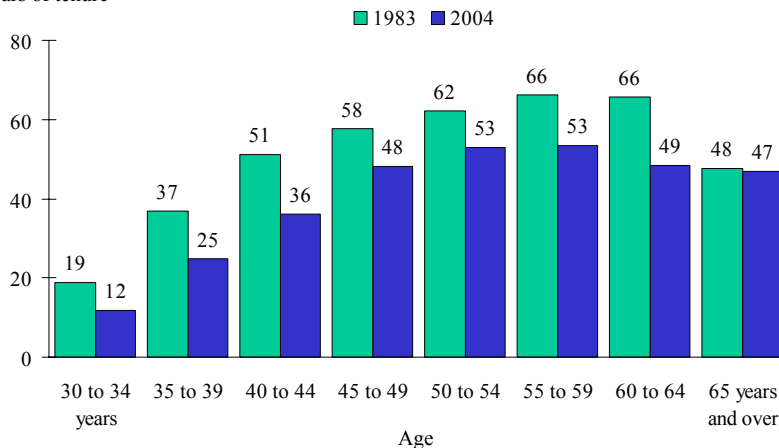
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- Some displaced workers drop out of the labor force after losing their jobs; others look for work.
- Most do find work again, although many of these workers earn less than on their old job. For example, 67 percent of those displaced from full-time jobs during the 2001-2002 period had found new wage and salary jobs by the time they were surveyed in 2004. About 36 percent found full-time wage and salary employment that paid less than what they earned on their old job. A smaller proportion of displaced workers—24 percent—found full-time jobs that paid as much or more than what they earned on their previous job. The remaining 7 percent were working part time.

### Chart 3-9. Declining proportions of men have worked for their current employer for 10 years or longer

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Percent with 10 or more years of tenure



SOURCE: Bureau of Labor Statistics

### Chart 3-9. Declining proportions of men have worked for their current employer for 10 years or longer

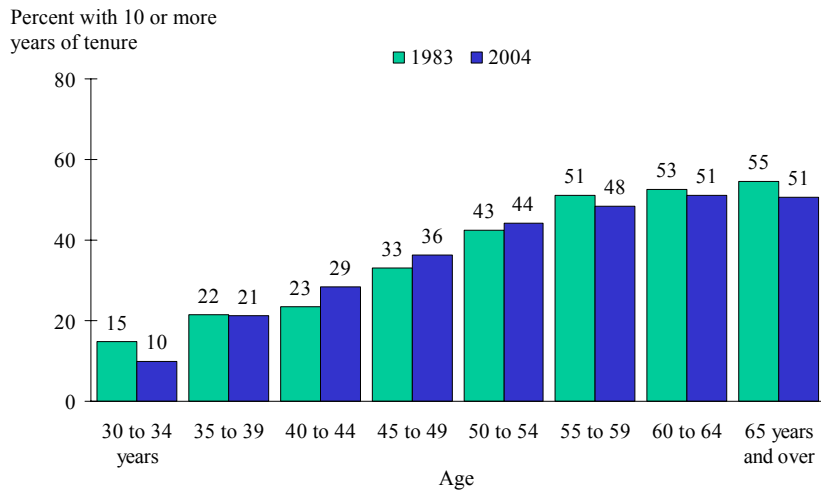
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- In nearly every age group, the proportion of men who worked for their current employer for 10 years or longer declined between 1983 and 2004.
- Many perceive longevity with an employer as a measure of employment stability. Hence, long tenure and rising tenure are viewed as “good” and short tenure and falling tenure as “bad.” Tenure can be an ambiguous indicator, however. For example, many people change employers voluntarily to take better jobs. If the economy is performing well, more workers have opportunities to change jobs voluntarily, possibly resulting in a decline in tenure.



### Chart 3-10. Rising proportions of women ages 40 to 54 have worked for their current employer for 10 years or longer

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SOURCE: Bureau of Labor Statistics

### Chart 3-10. Rising proportions of women ages 40 to 54 have worked for their current employer for 10 years or longer

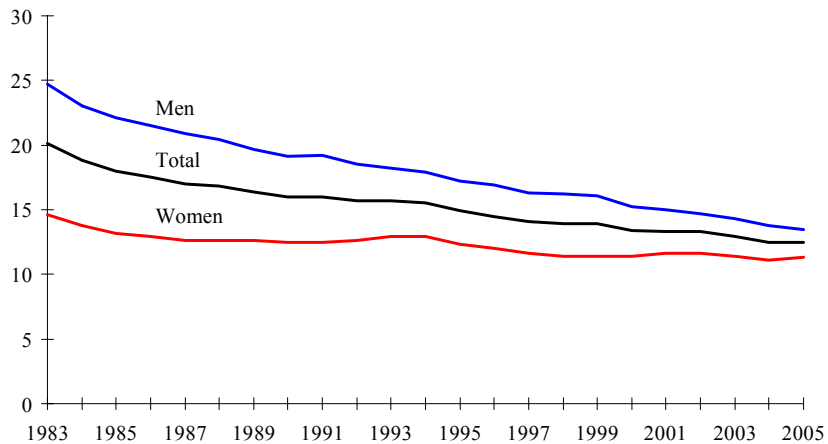
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- Between 1983 and 2004, the proportion of women who have worked for their current employer for 10 years or longer increased among those 40 to 54 years old.
- Some of this increase may reflect differences in the labor market experiences of women in different generations.

### Chart 3-11. Union membership has declined over time

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Percent of employed wage and salary workers



SOURCE: Bureau of Labor Statistics

### Chart 3-11. Union membership has declined over time

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- In 2005, 12.5 percent of wage and salary workers were union members, down from 20.1 percent in 1983 (the first year for which comparable data are available).
- Nearly 4 in 10 government workers were union members in 2005, compared with fewer than 1 in 10 private-sector employees.
- Men are more likely than women to be union members; however, the disparity has narrowed over time.

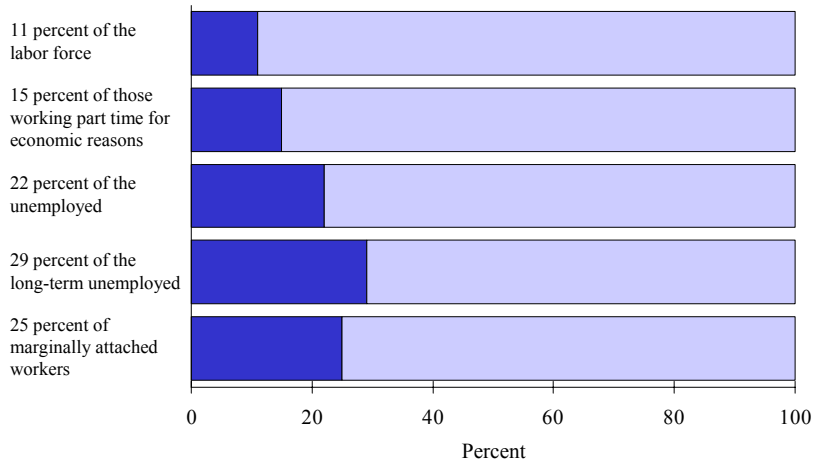
**Section 4**  
**Race and Hispanic Ethnicity**

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### Chart 4-1. Selected labor force characteristics of blacks or African Americans

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In 2005, blacks or African Americans comprised:



SOURCE: Bureau of Labor Statistics

### Chart 4-1. Selected labor force characteristics of blacks or African Americans

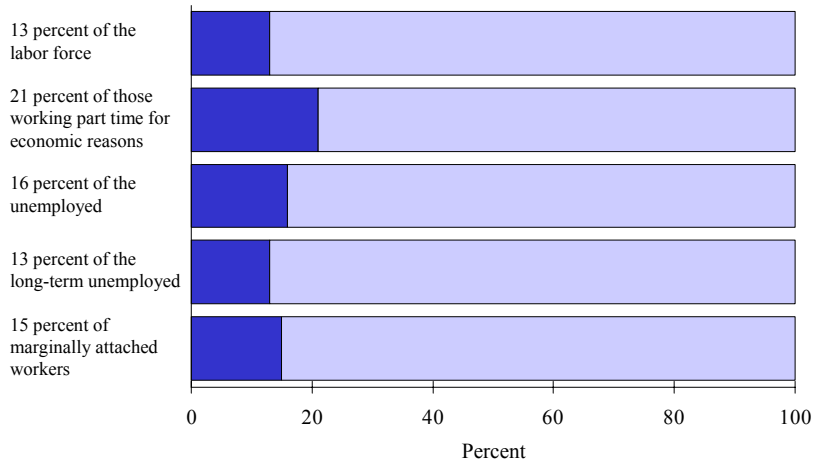
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- Blacks are more likely than other groups to experience labor market problems. For instance, while blacks made up 11 percent of the U.S. labor force in 2005, they accounted for 22 percent of the unemployed and 29 percent of the long-term unemployed (persons unemployed for 27 weeks or longer).
- Also, blacks comprised a disproportionate share of the marginally attached—persons who were available for work and had searched for work during the prior 12 months but who were not currently looking for work.

## Chart 4-2. Selected labor force characteristics of Hispanics or Latinos

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In 2005, Hispanics or Latinos comprised:



SOURCE: Bureau of Labor Statistics

## Chart 4-2. Selected labor force characteristics of Hispanics or Latinos

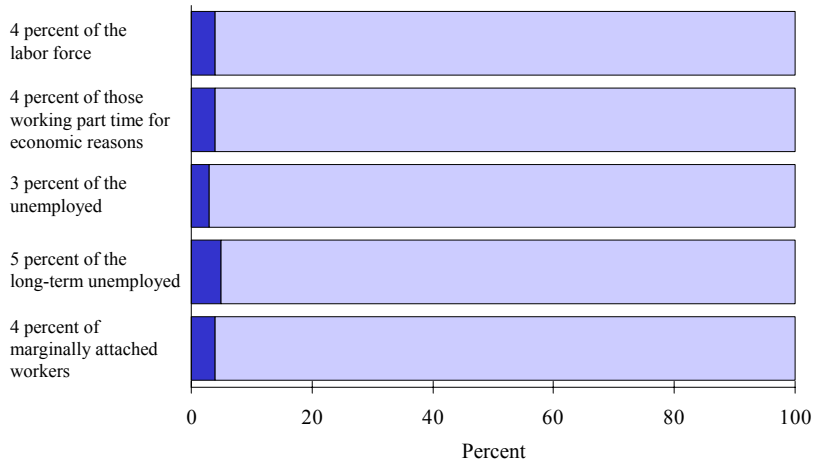
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- Hispanics made up 13 percent of the labor force in 2005.
- However, they accounted for 21 percent of persons employed part time for economic reasons and 16 percent of the unemployed.
- Persons whose ethnicity is identified as Hispanic or Latino may be of any race.

### Chart 4-3. Selected labor force characteristics of Asians

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In 2005, Asians comprised:



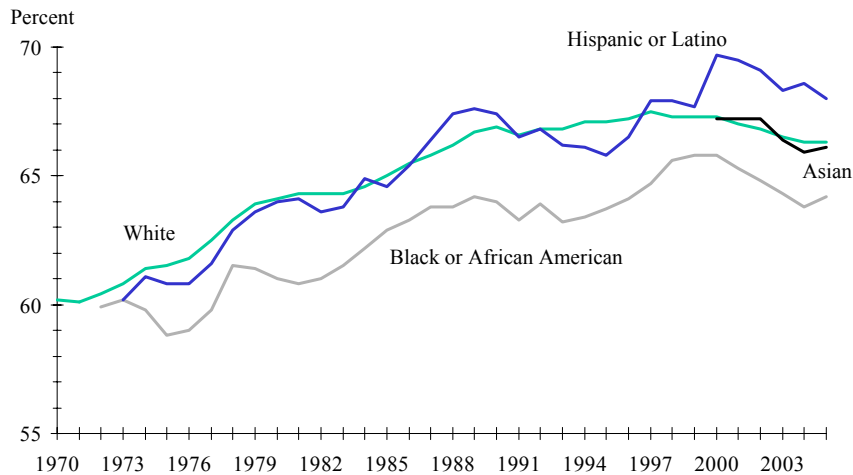
SOURCE: Bureau of Labor Statistics

### Chart 4-3. Selected labor force characteristics of Asians

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- Asians made up about 4 percent of the labor force in 2005.
- They accounted for similar proportions of the unemployed and other categories of persons experiencing certain types of labor market difficulties.

**Chart 4-4. Blacks are less likely to participate in the labor force than whites, Asians, or Hispanics**



NOTE: Persons whose ethnicity is identified as Hispanic or Latino may be of any race. Data for Asians only available since 2000.

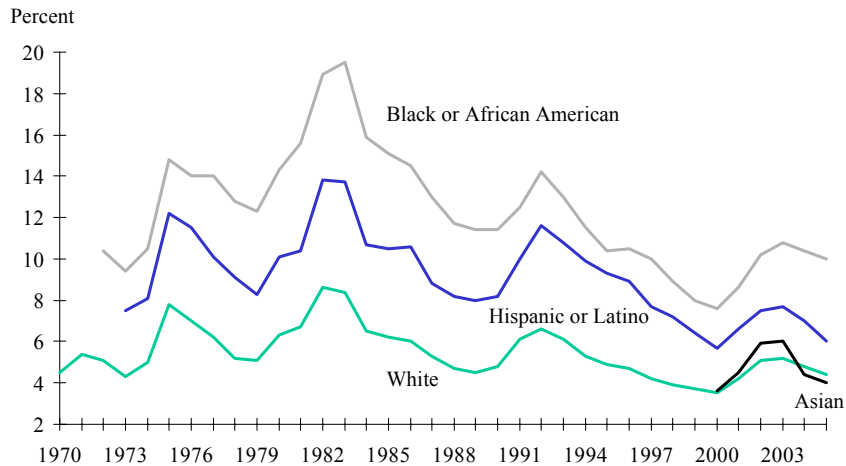
SOURCE: Bureau of Labor Statistics

**Chart 4-4. Blacks are less likely to participate in the labor force than whites, Asians, or Hispanics**

- In 2005, the labor force participation rate—the percent of persons 16 years and over who are working or looking for work—was 64.2 percent for blacks; this compared with 68.0 percent for Hispanics.
- The rates for whites and Asians were similar—66.3 percent and 66.1 percent, respectively.

### **Chart 4-5. Unemployment rates for blacks and Hispanics have remained consistently higher than the rate for whites**

---



NOTE: Persons whose ethnicity is identified as Hispanic or Latino may be of any race. Data for Asians only available since 2000.

SOURCE: Bureau of Labor Statistics

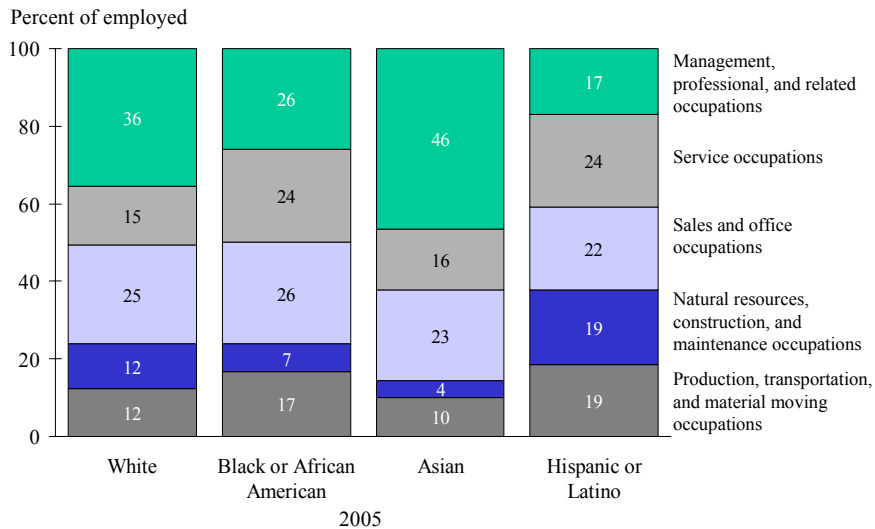
### **Chart 4-5. Unemployment rates for blacks and Hispanics have remained consistently higher than the rate for whites**

---

- The unemployment rate for blacks 16 years and over generally has been at least twice that of whites.
- The jobless rate for Hispanics, while higher than that for whites, is lower than that for blacks.
- The rate for Asians is similar to that of whites.



### Chart 4-6. Blacks and Hispanics are less likely to be employed in management and professional occupations



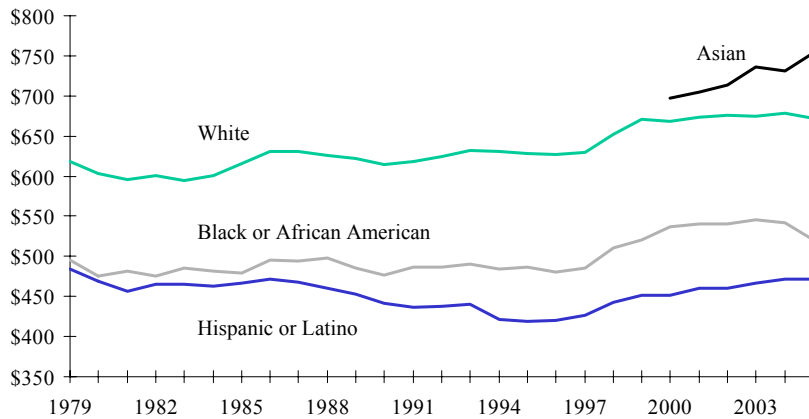
### Chart 4-6. Blacks and Hispanics are less likely to be employed in management and professional occupations

- In 2005, blacks and Hispanics were less likely to be employed in management, professional, and related occupations than their white or Asian counterparts.
- Blacks and Hispanics were more likely than whites or Asians to work in service occupations.
- In 2005, Hispanics were more likely than whites, blacks, or Asians to work in natural resources, construction, and maintenance occupations.

### Chart 4-7. Earnings of blacks and Hispanics are lower than those of Asians and whites

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Median weekly earnings of full-time workers (In constant 2005 dollars)



NOTE: Earnings are median weekly earnings of full-time wage and salary workers. Earnings data have been adjusted using the CPI-U-RS research series. Persons whose ethnicity is identified as Hispanic or Latino may be of any race. Data for Asians only available since 2000.

SOURCE: Bureau of Labor Statistics

### Chart 4-7. Earnings of blacks and Hispanics are lower than those of Asians and whites

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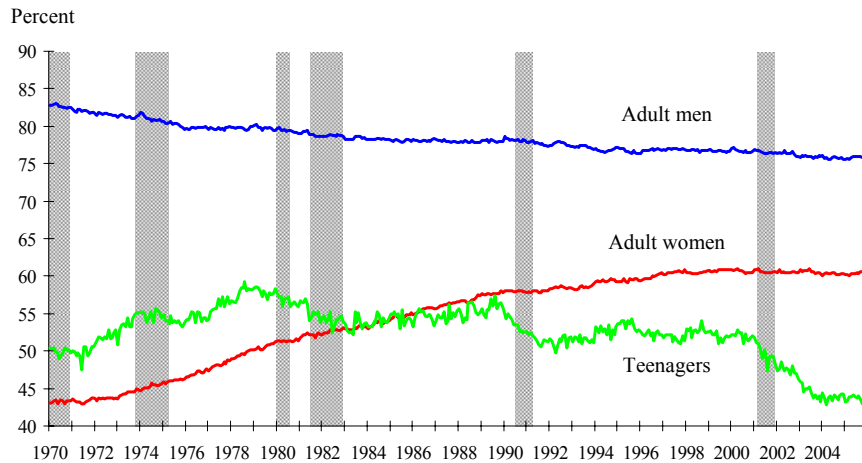
- The median usual weekly earnings for full-time wage and salary workers are higher for Asians and whites than for blacks and Hispanics.
- In 2005, the median weekly earnings of white workers were \$672, compared with \$520 for blacks and \$471 for Hispanic workers. Asians earned \$753 per week.

**Section 5**  
**Women**

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**Chart 5-1. After rising for several decades, the labor force participation rate for women has shown no growth in recent years**

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NOTE: Shaded areas represent recessions. Data are seasonally adjusted.

SOURCE: Bureau of Labor Statistics

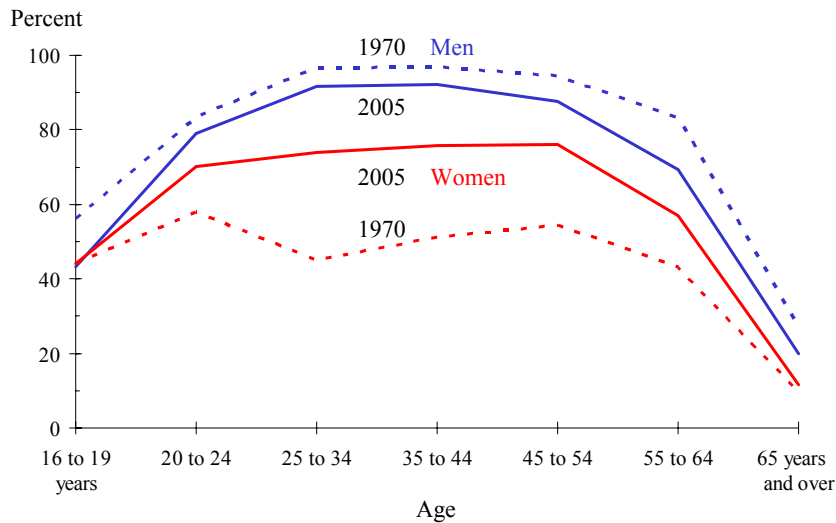
**Chart 5-1. After rising for several decades, the labor force participation rate for women has shown no growth in recent years**

---

- The labor force participation rate for adult women rose dramatically during the 1970s and 1980s. In the 1990s, growth in participation slowed substantially. The participation rate has shown no growth in recent years.
- The participation rate for adult men has waned over time.
- The participation rate for teenagers (both sexes, 16 to 19 years old) has trended downward since the late 1970s. From 2000 to 2003, the rate declined sharply. The teen rate is more cyclically sensitive than that for adults.

**Chart 5-2. Women's labor force participation patterns are now more like those of men**

---



SOURCE: Bureau of Labor Statistics

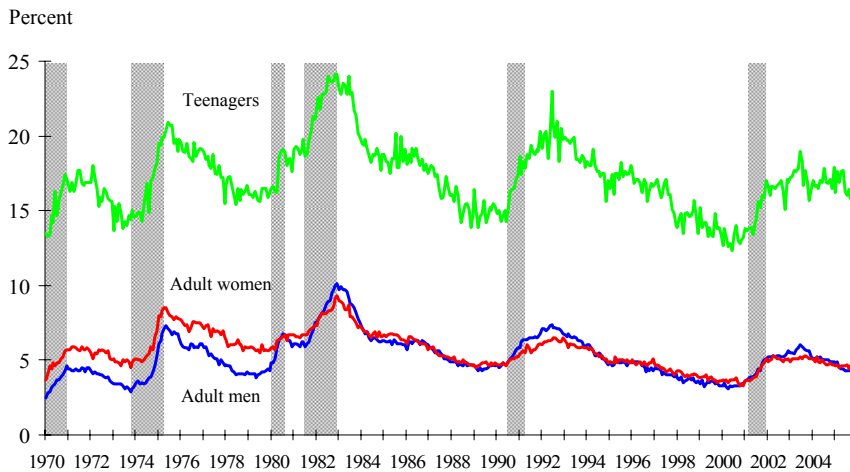
**Chart 5-2. Women's labor force participation patterns are now more like those of men**

---

- In 1970, the impact of marriage and motherhood on women's labor force participation rates was strikingly evident. At that time, their participation reached its initial peak at ages 20-24, dropped at ages 25-34, and then gradually rose to a second peak at ages 45-54 before tapering off.
- In 2005, this pattern of peaks and valleys was no longer evident, as women had increasingly added the role of worker to their lives. Indeed, women's labor force participation pattern by age now resembles that of men, although at a lower overall participation rate.

**Chart 5-3. Unemployment rates for adult men and women have stayed quite close since the early 1980s**

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NOTE: Shaded areas represent recessions. Data are seasonally adjusted.

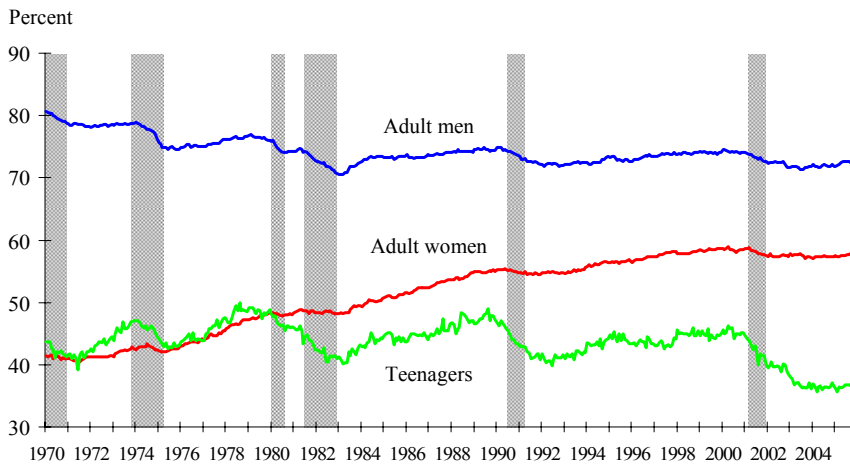
SOURCE: Bureau of Labor Statistics

**Chart 5-3. Unemployment rates for adult men and women have stayed quite close since the early 1980s**

---

- The unemployment rates for adult men and adult women have tracked quite closely since the early 1980s. Prior to that time, the jobless rate for adult women tended to be higher than that for men.
- The jobless rate for teenagers is much higher than that for adults, largely because teens have less education and training, less experience, and tend to move in and out of the job market more frequently.

**Chart 5-4. The employment-population ratios for adult men and women have edged up since mid-2003**



NOTE: Shaded areas represent recessions. Data are seasonally adjusted.

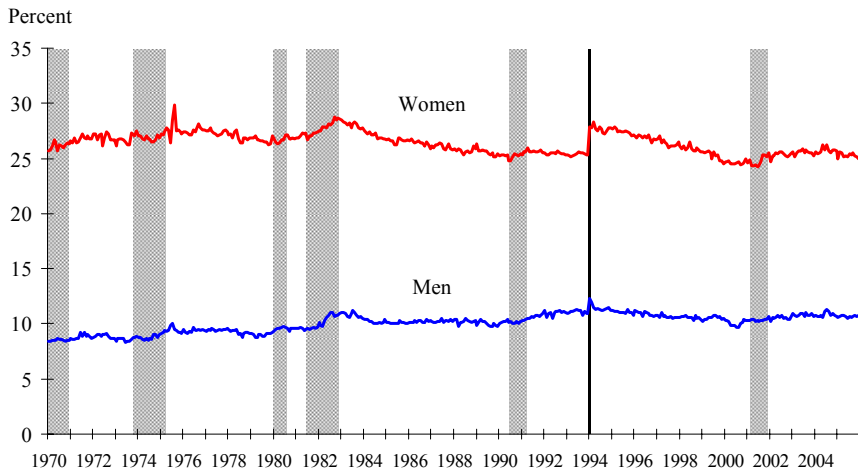
SOURCE: Bureau of Labor Statistics

**Chart 5-4. The employment-population ratios for adult men and women have edged up since mid-2003**

- The employment-population ratio (the proportion of the population that is employed) for adult men has hovered around 72 percent since the early 1980s, with the exception of cyclical declines during recessions. The ratio for adult women—57.6 percent in 2005—rose markedly over the past several decades (although there were also cyclical swings), reflecting the dramatic influx of women into the job market.
- The employment-population ratios for adult men and women declined during the 2001 recession, but have edged up since mid-2003.
- The employment-population ratio for teenagers fell steeply from 2000 to 2003, and has leveled off since. The teen ratio is more cyclically sensitive than that for adults.

### Chart 5-5. Women continue to be more likely than men to work part time

---



NOTE: Shaded areas represent recessions. Data are seasonally adjusted. Beginning in 1994, data reflect the introduction of a major redesign of the Current Population Survey that included changes affecting the measurement of part-time workers.

SOURCE: Bureau of Labor Statistics

### Chart 5-5. Women continue to be more likely than men to work part time

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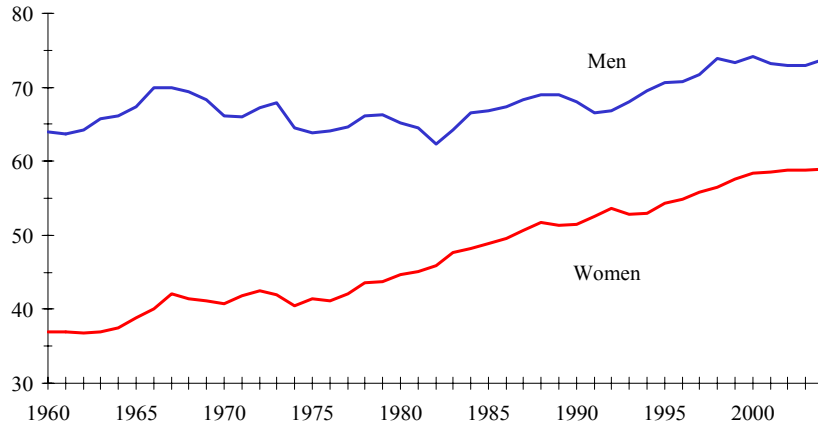
- Women are more than twice as likely as men to work part time—that is, fewer than 35 hours per week. In 2005, about 25 percent of employed women were part-time workers, compared with 11 percent of employed men.
- The pronounced upward shift in part-time employment in January 1994 was due to definitional and measurement changes associated with the redesign of the Current Population Survey.



### Chart 5-6. Year-round, full-time work has risen steadily among women

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Percent working year round, full time



NOTE: Data are collected in March and refer to the preceding calendar year.

SOURCE: Bureau of Labor Statistics

### Chart 5-6. Year-round, full-time work has risen steadily among women

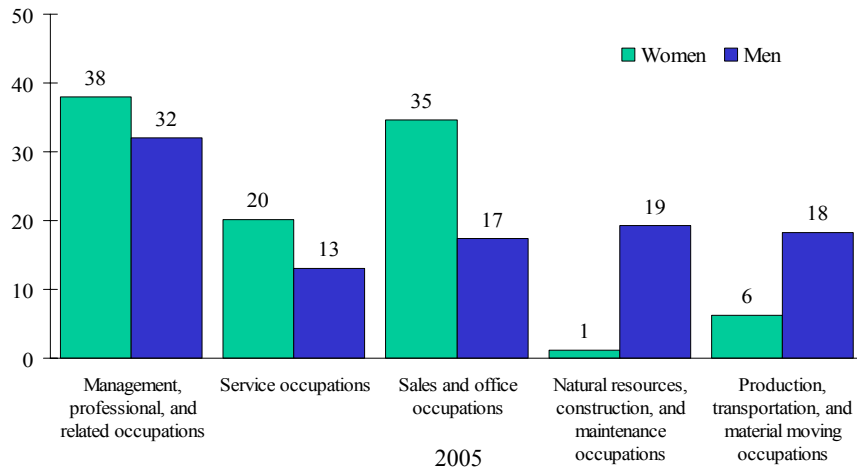
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- Among women who work at some time during the year, the proportion working year round (50-52 weeks) and full time (35 hours or more per week) has grown over the past several decades. In part, this trend reflects women's movement into occupations that are typified by year-round, full-time work.
- The proportion of men working year round and full time—which is considerably higher than that for women—showed little definitive movement until the early 1980s. It drifted upward during the 1980's and 1990's, but has since held fairly steady.

### Chart 5-7. Fewer than 1 in 10 women were employed in construction and maintenance occupations or production and transportation occupations in 2005

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Percent distribution of employed women and men by occupation



SOURCE: Bureau of Labor Statistics

### Chart 5-7. Fewer than 1 in 10 women were employed in construction and maintenance occupations or production and transportation occupations in 2005

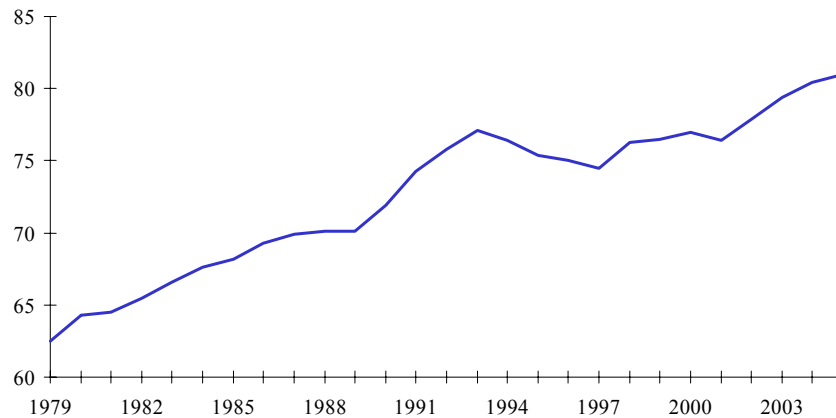
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- Women were concentrated in management, professional, and related occupations, service occupations, and sales and office occupations.
- Fewer than 1 in 10 women were employed in natural resources, construction, and maintenance occupations or production, transportation, and material moving occupations.

### Chart 5-8. Women's earnings have increased substantially as a percent of men's

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Women's earnings as a percent of men's



NOTE: Earnings are median usual weekly earnings of full-time wage and salary workers.

SOURCE: Bureau of Labor Statistics

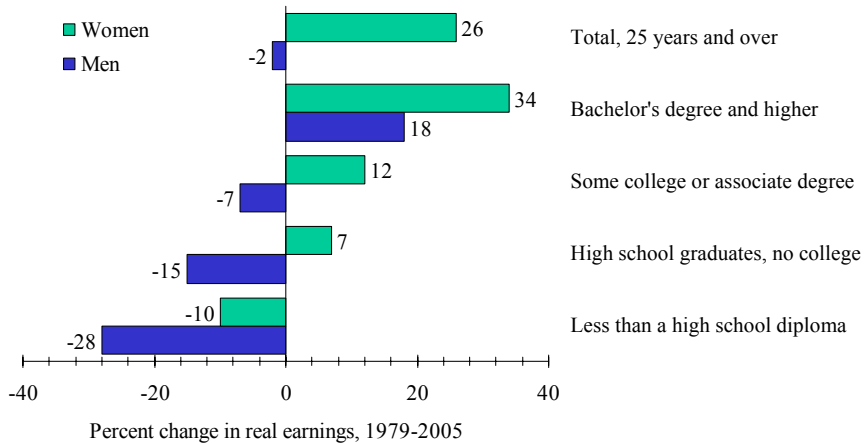
### Chart 5-8. Women's earnings have increased substantially as a percent of men's

---

- The ratio of women's to men's earnings, at 81 percent in 2005, has risen sharply since 1979, when it stood at about 63 percent.
- In 2005, black women earned 89 percent of what black men did; among Hispanics, the earnings ratio was 88 percent. In contrast, white women's earnings were 80 percent of white men's and Asian women's earnings were 81 percent of Asian men's.
- This simple comparison of earnings for men and women who worked full time does not control for many factors that can be significant in explaining earnings differences, such as educational attainment, occupation, hours of work, job tenure, and other factors.

### Chart 5-9. The change in real earnings since 1979 has been more favorable for women than for men at all levels of education

---



NOTE: Change in median usual weekly earnings of full-time wage and salary workers age 25 and over, adjusted using the CPI-U-RS research series.

SOURCE: Bureau of Labor Statistics

### Chart 5-9. The change in real earnings since 1979 has been more favorable for women than for men at all levels of education

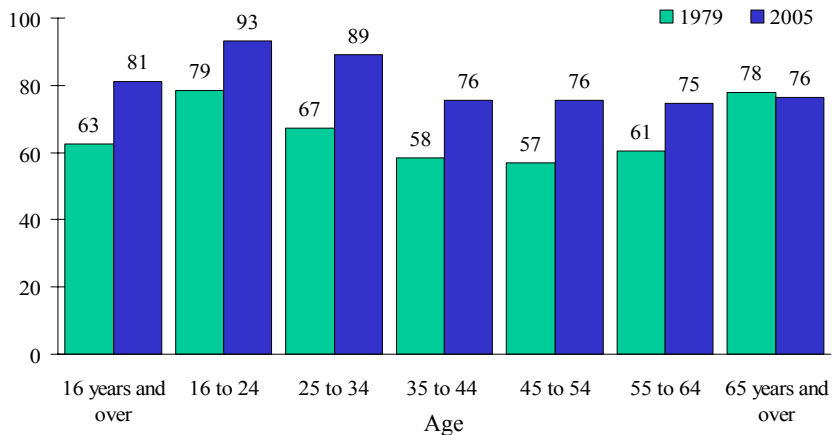
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- Overall, real earnings for women 25 years and over increased by 26 percent from 1979 to 2005, while men's real earnings were little changed.
- Women with at least a high school diploma experienced increases in real earnings. For men, only college graduates saw an increase; all other education groups experienced a decline in real earnings.
- While women fared better than men over this time period, in a sense they were playing "catch up" to men. The growth in women's earnings reflects in large part a rise in the proportion of working women with a college education, an increase in women in higher-paying managerial and professional jobs, and a shift toward more year-round, full-time work among women.

### Chart 5-10. The women's-to-men's earnings ratio has increased for most major age groups

---

Women's earnings as a percent of men's



NOTE: Earnings are median usual weekly earnings of full-time wage and salary workers.

SOURCE: Bureau of Labor Statistics

### Chart 5-10. The women's-to-men's earnings ratio has increased for most major age groups

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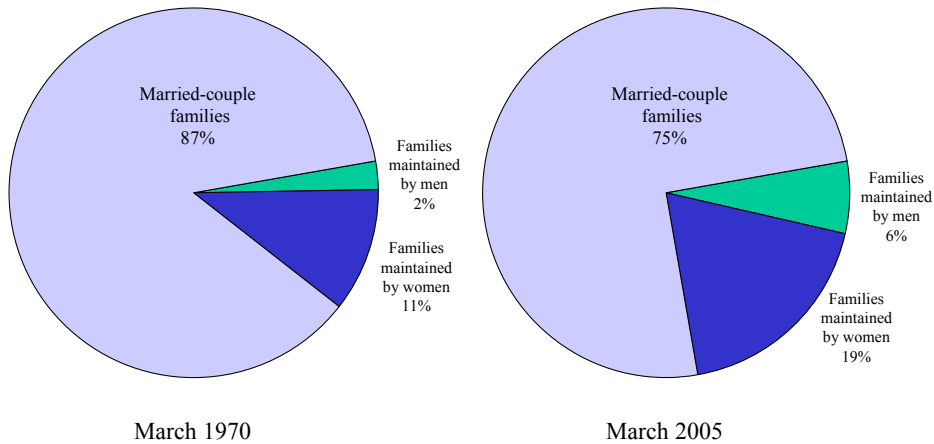
- The women's-to-men's earnings ratios have increased for workers under 65 years of age over the 1979-2005 period. The ratio for those 65 years of age and over was little changed.
- In 2005, the ratios were highest for women 16 to 34 years old.
- Care should be taken in interpreting these data, however, as they provide only a snapshot of earnings patterns in 2005. Older women faced a different social and economic climate at the start of their work lives than that which exists for young women today. Consequently, the lifetime earnings pattern of today's older women is not a reliable guide to the lifetime earnings pattern of today's younger women.

**Section 6**  
**Families**

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### **Chart 6-1. The proportion of all families maintained by men or by women with no spouse present has grown substantially**

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SOURCE: Bureau of Labor Statistics

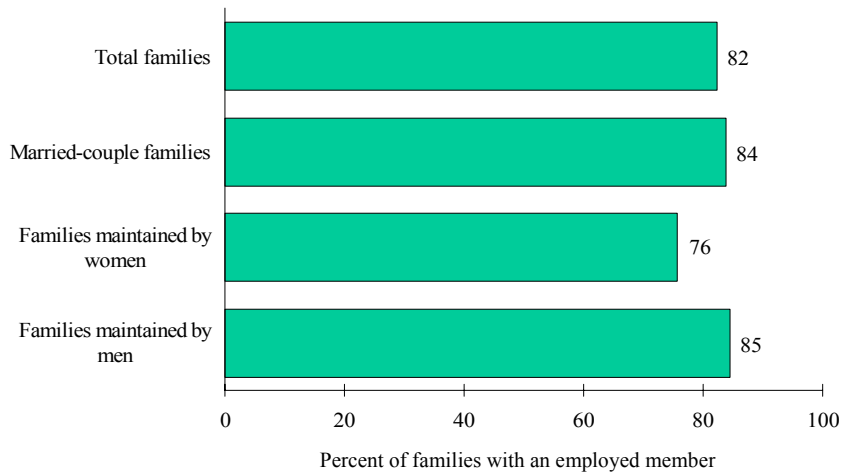
### **Chart 6-1. The proportion of all families maintained by men or by women with no spouse present has grown substantially**

---

- Families are defined as a group of two or more persons residing together who are related by birth, marriage, or adoption. Families are classified either as married-couple families or as families maintained by women or men without spouses.
- Families maintained by women with no spouse present have grown markedly as a proportion of all families over time. In March 2005, almost 2 in 10 families were maintained by a woman; 35 years earlier, they comprised about 1 in 10. The percentage of families maintained by men grew from 2 to 6 percent over the period.
- Not only has the proportion of families maintained by men or women grown dramatically over time, but there also have been remarkable changes in the work patterns among married-couple families. The share of married-couple families in which both the husband and wife had earnings increased from 46 percent in 1970 to 57 percent in 2004, while the proportion comprised of families with just the husband as an earner fell from 33 percent to 19 percent. The proportion of married-couple families with no earners was 14 percent in 2004.

## Chart 6-2. Most families have an employed member

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2005

SOURCE: Bureau of Labor Statistics

## Chart 6-2. Most families have an employed member

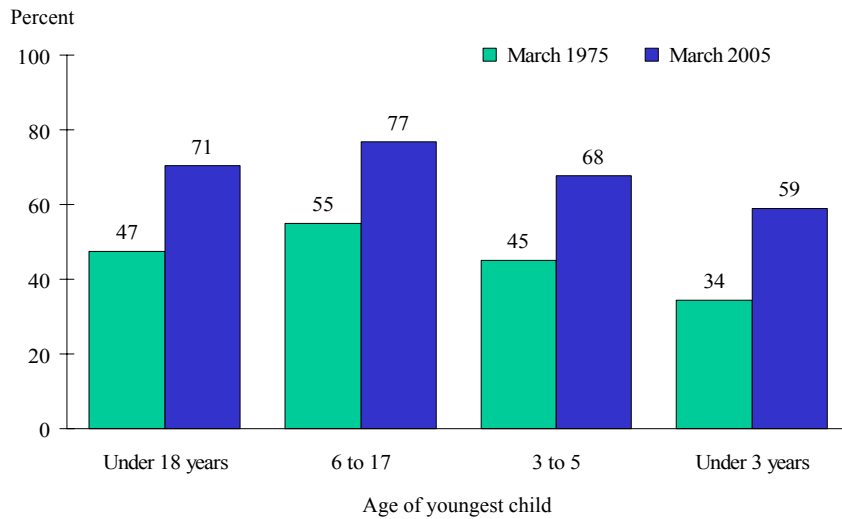
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- Overall, about 4 in 5 families had an employed member in 2005. Those maintained by women with no spouse present were somewhat less likely than other families to have an employed member.
- Families with children are more likely to have an employed member (91 percent) than families with no children (75 percent). Many families without children are made up of older persons, who are less likely to be in the labor force.
- Of the 5.3 million families with an unemployed member in 2005, 70 percent had at least one worker.



### Chart 6-3. Labor force participation rates have increased dramatically among mothers over the past 30 years

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SOURCE: Bureau of Labor Statistics

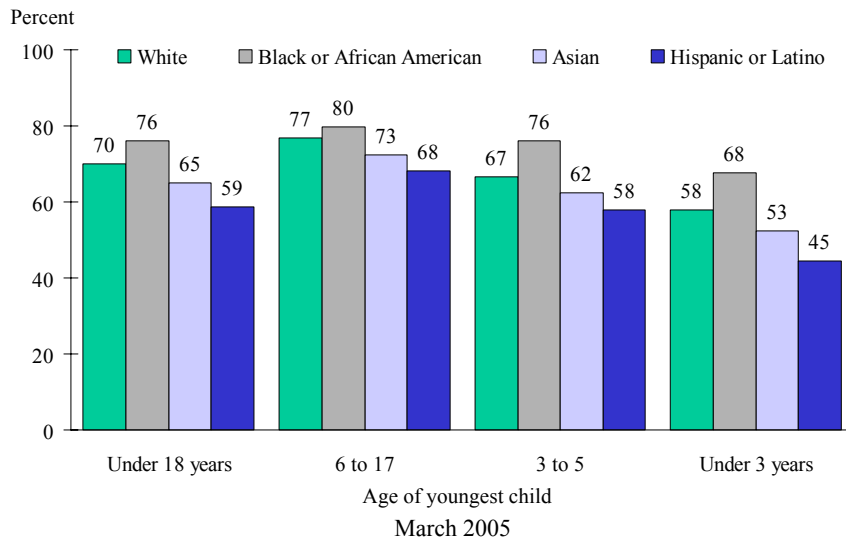
### Chart 6-3. Labor force participation rates have increased dramatically among mothers over the past 30 years

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- In 2005, about 7 out of 10 mothers were labor force participants. In 1975, about 5 out of 10 were working or looking for work.
- In 2005, participation rates ranged from 59 percent for mothers whose youngest child was under 3 years old to 77 percent for those whose youngest child was 6 to 17.

**Chart 6-4. Black mothers have the highest labor force participation rates**

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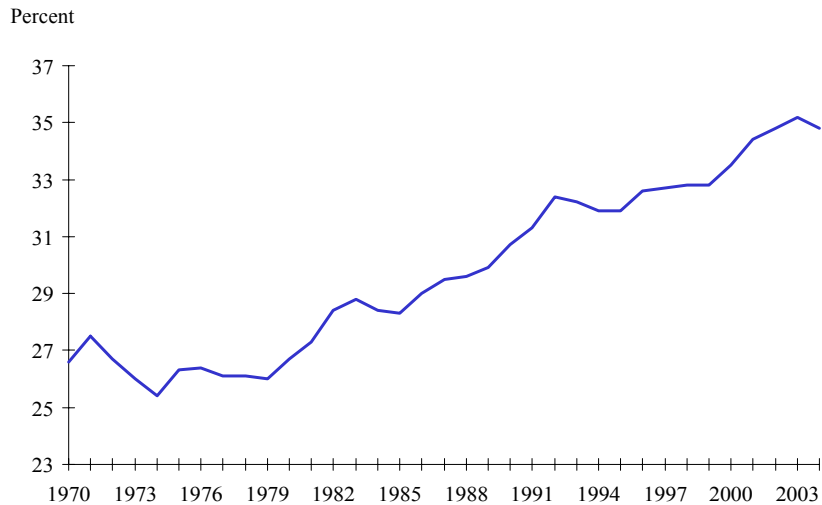
**Chart 6-4. Black mothers have the highest labor force participation rates**

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- In 2005, as in the past, black mothers with children under 18 were more likely than white mothers to be in the labor force—76 percent compared with 70 percent.
- Asian and Hispanic mothers were less likely than either black or white mothers to be labor force participants.

### **Chart 6-5. In 2004, working wives contributed a little more than a third of their families' income**

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SOURCE: Bureau of Labor Statistics

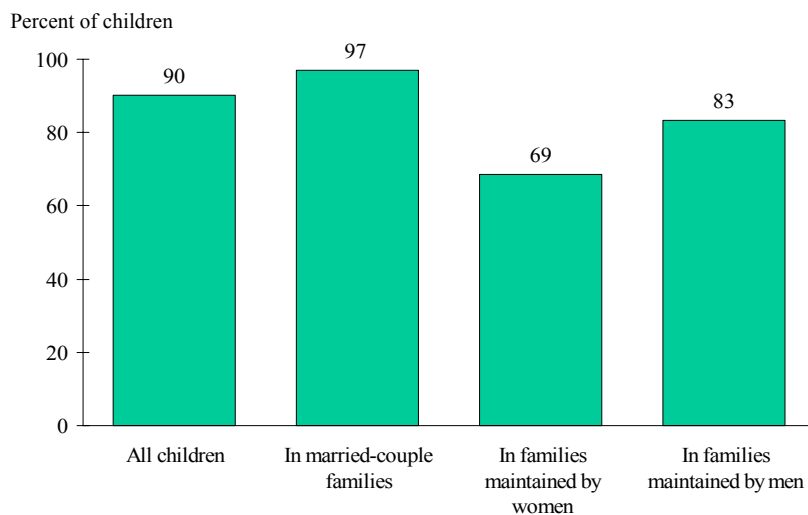
### **Chart 6-5. In 2004, working wives contributed a little more than a third of their families' income**

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- As more wives have entered higher-paying occupations and more wives work full time all year, their contribution to family income has increased. By 2004, 35 cents of every dollar of married-couple family income were earned by the wife.
- Among married-couple families where both wives and husbands have earnings, 25 percent of wives earned more than their husbands in 2004. This was up from 18 percent in 1987.

### Chart 6-6. Nine out of 10 children live with an employed parent

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SOURCE: Bureau of Labor Statistics

2005

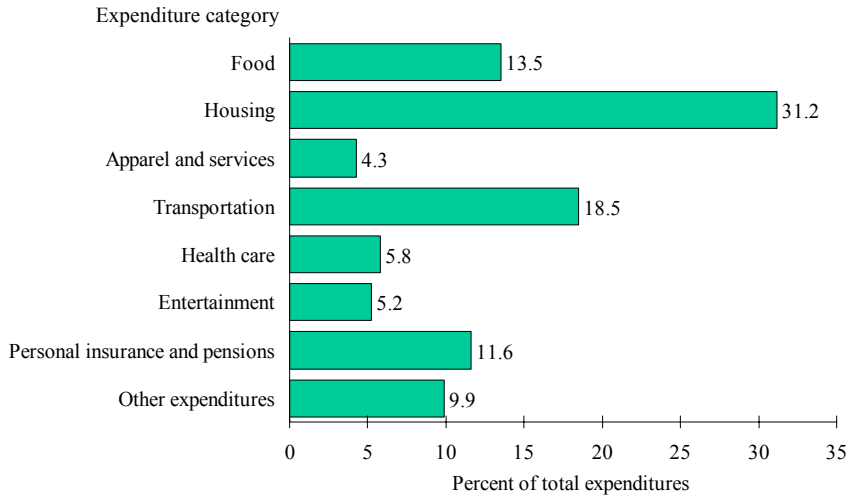
### Chart 6-6. Nine out of 10 children live with an employed parent

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- Children in married-couple families are more likely to live with an employed parent (97 percent) than are children in families maintained by women (69 percent) or men (83 percent) with no spouse present.
- About 62 percent of all children live with mothers who work. Children are more likely to have a working mother in families maintained by women (69 percent) than are children in married-couple families (63 percent).

### **Chart 6-7. Families allocated about one-third of their total spending to housing and about one-fifth to transportation in 2004**

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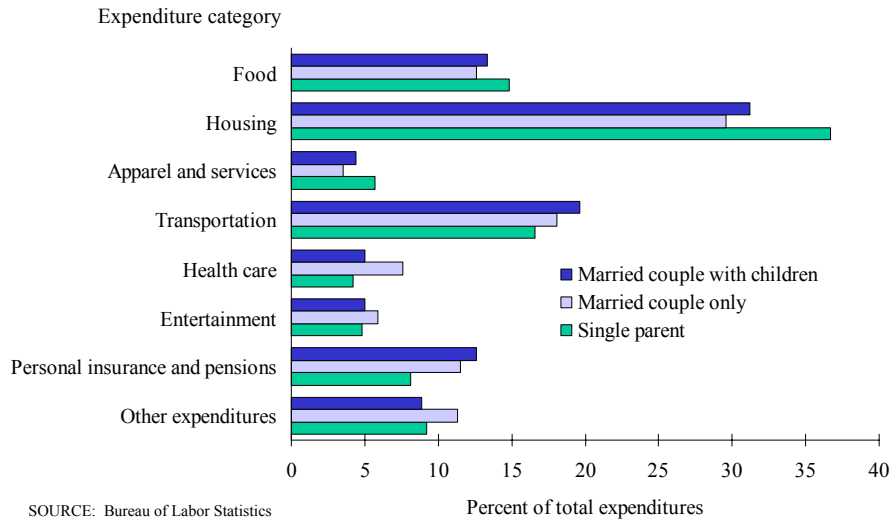
### **Chart 6-7. Families allocated about one-third of their total spending to housing and about one-fifth to transportation in 2004**

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- Families are defined here as consumer units of two or more persons. These consumer units are traditionally-defined families or unrelated individuals who make joint expenditure decisions.
- Food was the third largest component in total spending. About 14 cents of every expenditure dollar was allocated to food.
- In 2004, the largest over-the-year increase among the major components of spending occurred in personal insurance and pensions.

### Chart 6-8. Single-parent families allocated more of their expenditure dollar to basic items—food and housing—than did married-couple families in 2004

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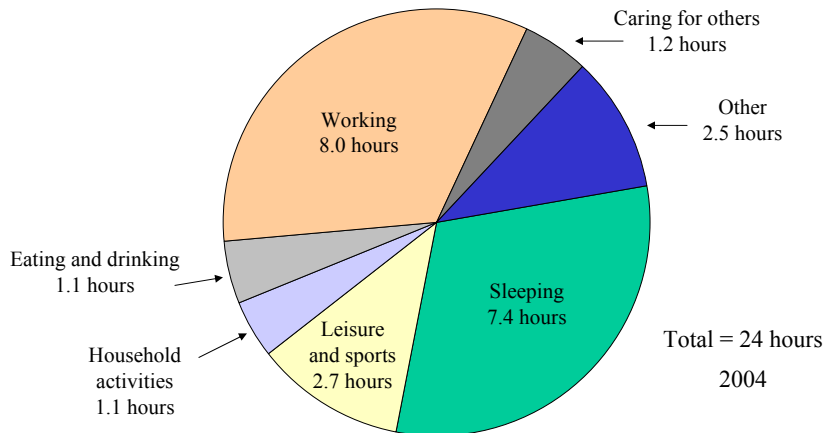
### Chart 6-8. Single-parent families allocated more of their expenditure dollar to basic items—food and housing—than did married-couple families in 2004

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- In addition to food and housing, single-parent families allocated a larger share of their expenditure dollar to apparel and services (about 6 percent) than did other family groups.
- Married couples spent more as a share of total spending on transportation (about 20 percent) than did single-parent families.
- Each family group allocated roughly 5 cents of every expenditure dollar to entertainment.

### Chart 6-9. On weekdays that they worked, employed persons with children spent two-thirds of an average day working and sleeping

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NOTE: Data are for weekdays (Monday-Friday) only and refer to employed persons ages 25 to 54 who worked on the diary day and lived in households with children under 18. All categories, except sleeping and working, include related travel time. Data are 2004 annual averages.

SOURCE: Bureau of Labor Statistics

### Chart 6-9. On weekdays that they worked, employed persons with children spent two-thirds of an average day working and sleeping

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- On an average work day (Monday-Friday) in 2004, employed persons ages 25 to 54 with children in the household worked one-third (8.0 hours) of the day. No other single activity was allocated as much time.
- This same group slept 7.4 hours on weekdays that they worked—0.8 hour less than the average for the population ages 15 and older. The remainder of the day was spent doing a variety of activities, including leisure and sports (2.7 hours); caring for others (1.2 hours); household activities such as housework, food preparation, and household management (1.1 hours); eating and drinking (1.1 hours); and other miscellaneous activities.
- Of the 1.2 hours spent per day caring for others, about an hour was spent providing care to children (household and non-household) under the age of 18 as a primary activity. Primary childcare activities include bathing, dressing, reading to, and playing with children.