Rural Migration News

Blog 244

OCTOBER 2021

BLS Projections: 2020 to 2030

DOL's Bureau of Labor Statistics projects the size of the labor force and employment every two years. BLS in October 2021 released projections for the 2020-30 decade that emphasize that the aging and slower growing US population and labor force means that employment in the health care and social assistance industry will increase at the fastest rate.

The US is projected to add almost 12 million jobs in the 2020-30 decade, bringing employment to over 165 million; a quarter of the new jobs are expected to be in health care and social assistance. GDP growth is projected to be 2.3 percent a year and labor force growth is projected to slow to 0.5 percent a year, slower than the projected 0.8 percent increase in the population. The labor force participation rate is projected to fall over one percent to 60 percent.

Covid reduced employment and labor force participation in 2020, which makes some of the growth rates for particular industries and occupations between 2020 and 2030 higher than they otherwise would be, as with motion picture

projectionists because most theaters were closed in 2020. Covid accelerated several trends that were already underway, such as faster employment growth in IT and shrinking employment in retail stores.
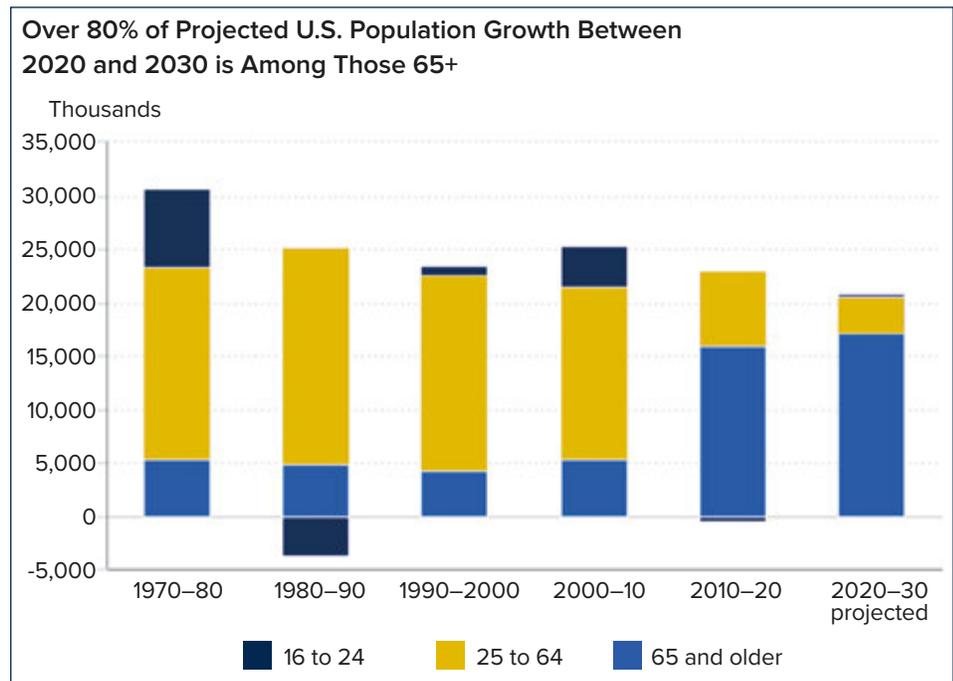
The unemployment rate is the share of people actively looking for jobs divided by all employed and unemployed persons, There is a trade off between unemployment and infla-

tion so that, if the unemployment rate falls below a "natural" rate, inflation accelerates. The BLS estimate of the natural unemployment rate that would not lead to accelerating inflation declined from over six percent in the 1970s and 1980s to less than five percent in 2020 and a projected four percent in 2030.
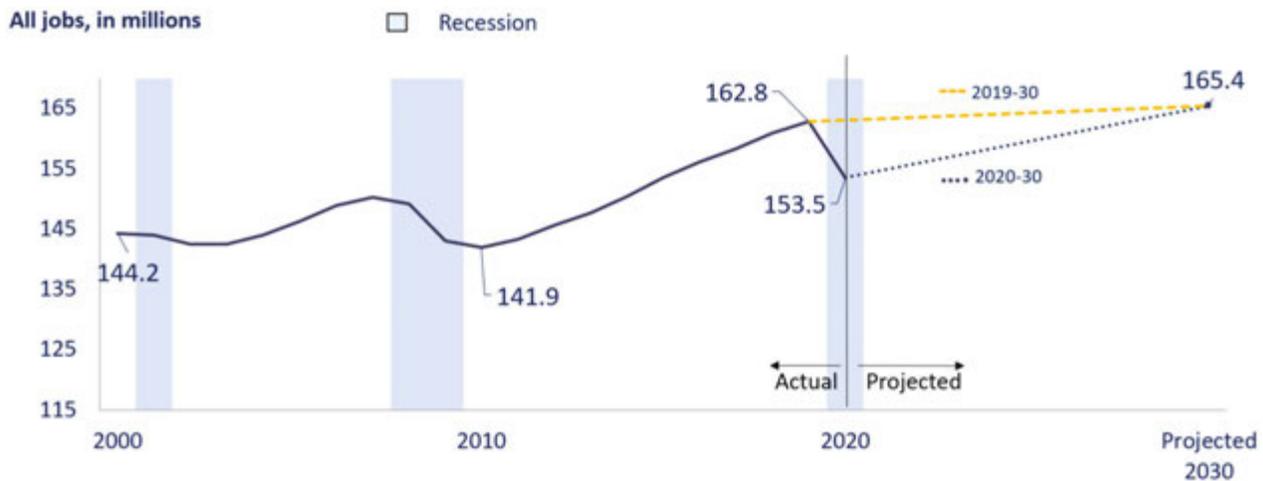
Labor Force

The labor force participation rate (LFPR) is the share of US residents 16 and older who are employed or seeking jobs. The LFPR, which has been declining as youth stay in school longer and the share of older and retired residents increases, fell sharply to 62 percent in 2020, and is down from a peak 67 percent in 2000.

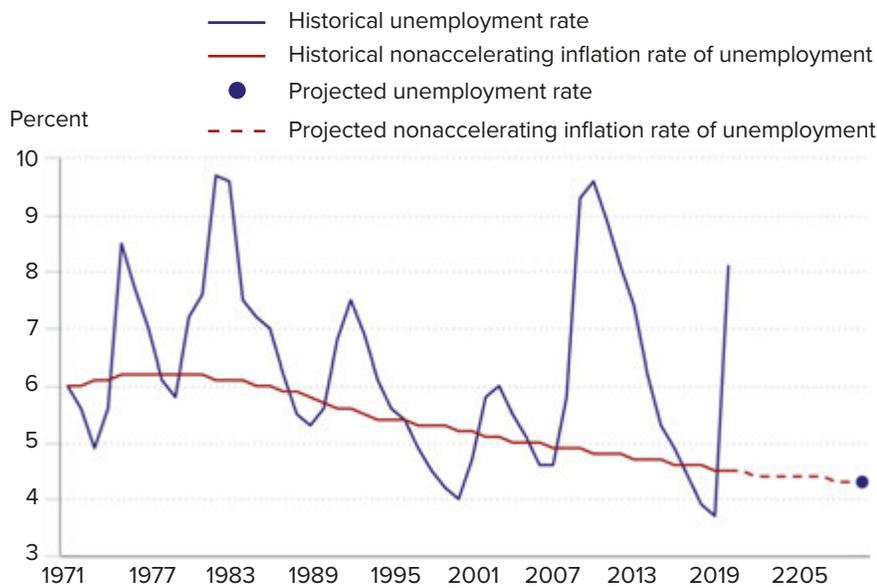The world's highest LFPRs are in Gulf oil exporters where most private sector workers are migrants and in developing countries that assume all rural residents are employed in agriculture. Both Madagascar and Qatar have LFPRs over 87 percent. Among industrial countries, Scandinavian countries such as Sweden have LFPRs of 64-65 percent.

Over 80% of Projected U.S. Population Growth Between 2020 and 2030 is Among Those 65+

Covid Reduced Employment by 10 Million in 2020 to 153 Million; Employment is Projected to be 165 Million in 2030

All jobs, in millions ☐ Recession

162.8
165.4
2019-30
153.5
2020-30
144.2
141.9

Actual | Projected

2000   2010   2020   Projected 2030

The Natural Unemployment Rate has Been Declining From 6% in the Late 1970s

——— Historical unemployment rate
——— Historical nonaccelerating inflation rate of unemployment
● Projected unemployment rate
– – – Projected nonaccelerating inflation rate of unemployment

Percent

1971 1977 1983 1989 1995 2001 2007 2013 2019 2205

The major changes in US labor force participation over the past half century include the declining LFPR of 25-54 year-old men to 88 percent in 2020 and the rising LFPR of 25-54 year old women to 75 percent. BLS expects the LFPR for prime-aged men to decline another percent by 2030 to 87 percent, and for prime-aged women to remain stable at 75 percent.

The US labor force increased faster than the US population between 1970 and 2000 due to rising LFPRs.

In the 21st century, the US population has been growing faster than the US labor force due to declining or stable LFPRs and an aging population.

Industry

Employment rose by 12 million between 2010 and 2020, and is projected to increase by 12 million between 2020 and 2030. In 2030, there are expected to be 2.3 million workers employed in agriculture, 20.6 million employed
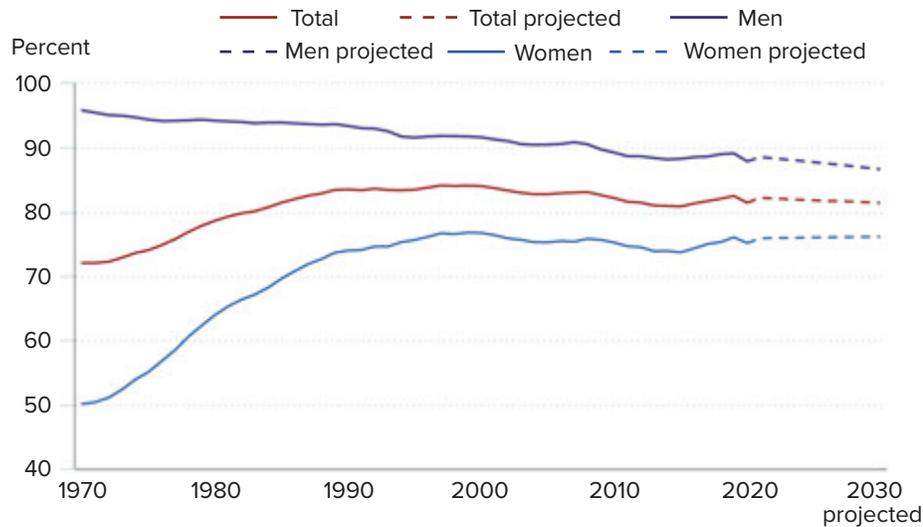
in goods-producing industries, and 134.1 million employed in services. Health care and social assistance, with employment of 23.1 million in 2030, and professional and business services, with employment of 22.3 million, are each expected to have more employment than all goods-producing industries, which include manufacturing, 12.3 million, construction, 7.6 million, and mining, 0.7 million.

Employment in agriculture is expected to increase slightly, as the growing number of wage and salary workers offsets the decline in self-employed farm operators and their unpaid family members. Hired farm workers were two-thirds of average employment in US agriculture in 2020, and are projected to account for 69 percent of farm employment in 2030.

Occupation

Health-care occupations are expected to have the fastest growth between 2020 and 2030, reflecting the needs of an aging population, followed by personal-care related occupations and food preparation and serving occupations. Occupational employment growth between 2020 and 2030 reflects long-
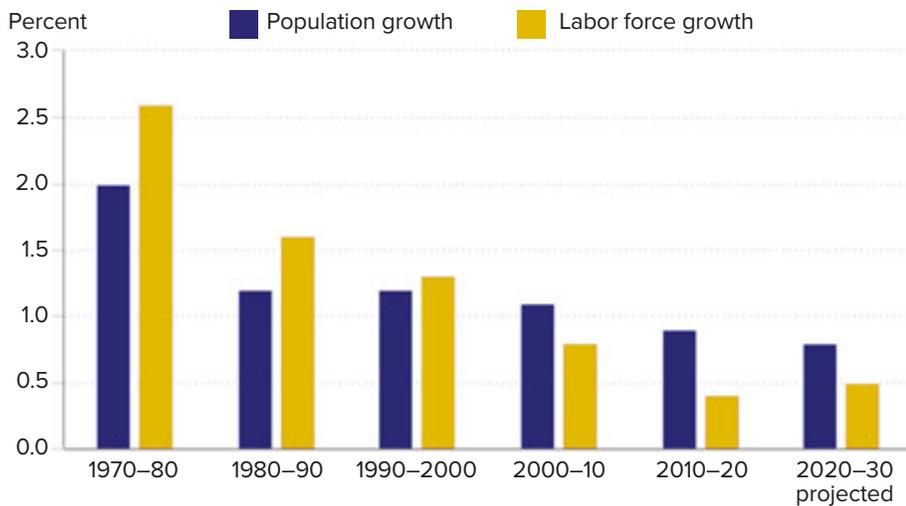
The Labor Force Participation Rates of Prime-Aged Workers are Expected to be Stable in the 2020s

Percent

Legend: Total — Total projected — — — Men — Men projected — — — Women — Women projected — — —

Labor Force Growth (Yellow) was Faster than Population Growth (Blue) Before 2000, and Slower Since 2000

Percent

Population growth ■ Labor force growth ■

Hired Farm Workers are Projected to Account 69% of Farm Employment in 2030
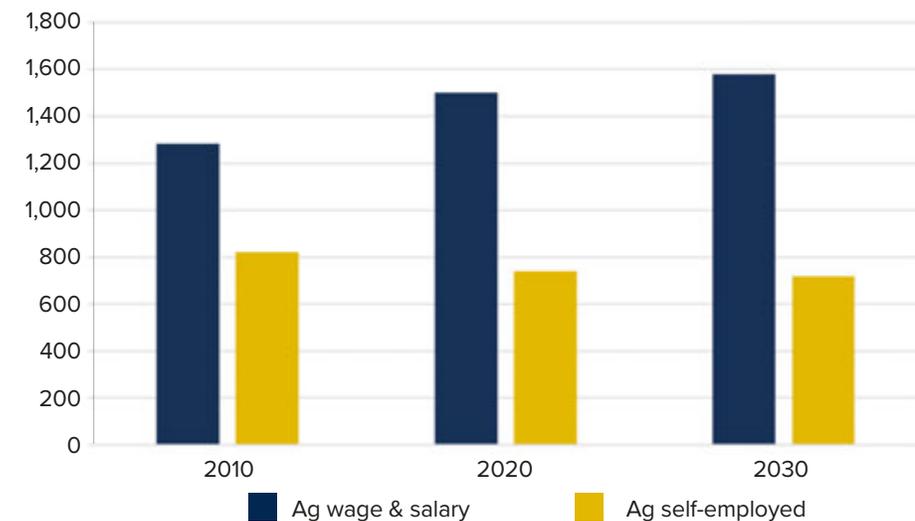

Ag wage & salary ■   Ag self-employed ■

run trends, as with the growth of employment in computer-related occupations, and recovery from the pandemic, such as the projected 70 percent growth in motion picture projectionists from a very low base in 2020 due to covid-related clo-sures of movie theaters.

Hispanics were 18 percent of the US labor force in 2020, and are pro-jected to be 21 percent of the labor force in 2030. Farming, fishing, and forestry is the occupation with the highest share of Hispanic workers, followed by janitorial services and construction.

Over 81 Percent of Employment in 2030 is Projected to be in Services

Industry sector	Employment (thousands of jobs)			Employment change (thousands of jobs)		Percent distribution			Compound annual rate of change (percent)	
	2010	2020	2030	2010– 20	2020– 30	2010	2020	2030	2010–20	2020–30
Total[1]	141,926.7	153,533.8	165,413.7	11,607.1	11,879.9	100.0	100.0	100.0	0.8	0.7
Nonagriculture wage and salary[2]	130,964.0	142,795.2	154,693.1	11,831.2	11,897.9	92.3	93.0	93.5	0.9	0.8
Goods producing, excluding agriculture	17,702.2	20,021.6	20,578.5	2,319.4	556.9	12.5	13.0	12.4	1.2	0.3
Mining	654.8	573.1	671.3	-81.7	98.2	0.5	0.4	0.4	-1.3	1.6
Construction	5,518.3	7,269.4	7,584.4	1,751.1	315.0	3.9	4.7	4.6	2.8	0.4
Manufacturing	11,529.1	12,179.1	12,322.8	650.0	143.7	8.1	7.9	7.4	0.5	0.1
Services providing, excluding special industries	113,261.8	122,773.6	134,114.6	9,511.8	11,341.0	79.8	80.0	81.1	0.8	0.9
Utilities	552.8	541.9	502.9	-10.9	-39.0	0.4	0.4	0.3	-0.2	-0.7
Wholesale trade	5,386.6	5,639.8	5,780.8	253.2	141.0	3.8	3.7	3.5	0.5	0.2
Retail trade	14,446.3	14,853.1	14,266.3	406.8	-586.8	10.2	9.7	8.6	0.3	-0.4
Transportation and warehousing	4,179.2	5,555.1	6,189.2	1,375.9	634.1	2.9	3.6	3.7	2.9	1.1
Information	2,707.2	2,694.4	2,977.2	-12.8	282.8	1.9	1.8	1.8	0.0	1.0
Financial activities	7,694.8	8,723.7	9,027.1	1,028.9	303.4	5.4	5.7	5.5	1.3	0.3
Professional and business services	16,782.9	20,245.7	22,265.6	3,462.8	2,019.9	11.8	13.2	13.5	1.9	1.0
Educational services	3,155.1	3,459.4	3,983.6	304.3	524.2	2.2	2.3	2.4	0.9	1.4
Healthcare and social assistance	16,820.0	19,776.2	23,092.6	2,956.2	3,316.4	11.9	12.9	14.0	1.6	1.6
Leisure and hospitality	13,048.7	13,326.7	16,566.3	278.0	3,239.6	9.2	8.7	10.0	0.2	2.2
Other services	5,997.7	6,048.8	6,804.9	51.1	756.1	4.2	3.9	4.1	0.1	1.2
Federal government	2,977.0	2,929.0	2,860.9	-48.0	-68.1	2.1	1.9	1.7	-0.2	-0.2
State and local government	19,513.5	18,979.8	19,797.1	-533.7	817.3	13.7	12.4	12.0	-0.3	0.4
Agriculture, forestry, fishing, and hunting[3]	2,102.9	2,241.3	2,296.3	138.4	55.0	1.5	1.5	1.4	0.6	0.2
Agriculture wage and salary	1,282.3	1,500.8	1,579.1	218.5	78.3	0.9	1.0	1.0	1.6	0.5
Agriculture self-employed	820.6	740.5	717.3	-80.1	-23.2	0.6	0.5	0.4	-1.0	-0.3
Nonagriculture self-employed	8,859.8	8,497.3	8,424.3	-362.5	-73.0	6.2	5.5	5.1	-0.4	-0.1

There are Expected to be 1.1 Million More Home Health and Personal Care Aides by 2030

Occupation	Employment (thousands)		Change (2020–30)	
	2020	2030	Percent	Level
All occupations	153,533.8	165,413.7	7.7	11,879.9
Wind turbine service technicians	6.9	11.7	68.2	4.7
Nurse practitioners	220.3	335.2	52.2	114.9
Solar photovoltaic installers	11.8	17.9	52.1	6.1
Statisticians	42.0	56.9	35.4	14.9
Physical therapist assistants	93.8	126.9	35.4	33.2
Information security analysts	141.2	188.3	33.3	47.1
Home health and personal care aides	3,470.7	4,600.6	32.6	1,129.9
Medical and health services managers	429.8	569.4	32.5	139.6
Data scientists and mathematical science occupations, all other	63.2	83.0	31.4	19.8
Physician assistants	129.4	169.5	31.0	40.1

Agriculture has the Highest Share of Hispanic workers

OCCUPATIONS WITH THE HIGHEST CONCENTRATIONS OF HISPANIC WORKERS

FARMING, FISHING & FORESTRY **43.0%**
BUILDING & GROUNDS CLEANING & MAINTENANCE **37.9%**
CONSTRUCTION & EXTRACTION **35.7%**
FOOD PREPARATION & SERVING **27.3%**
TRANSPORTATION & MATERIAL MOVING **23.9%**

References

BLS. 2021. Projections overview and highlights, 2020–30. Available at:
https://www.bls.gov/opub/mlr/2021/article/projections-overview-and-highlights-2020-30.htm

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