



# Labor Force Participation Rates

## Commission on Unemployment Compensation

July 17, 2019

Ellen Marie Hess, Commissioner

# What is Labor Force Participation?

- Labor Force Participation is “the number of people in the labor force as a percentage of the civilian non-institutionalized population 16 years and over.”
- The “prime age” labor force participation rate is calculated similarly, except only people between the ages of 25 and 54 are considered.

# Elements of the Calculations

## **Labor force includes:**

- ▣ Employed people doing any work, including part time work, for pay
- ▣ People who are not employed, but actively seeking work

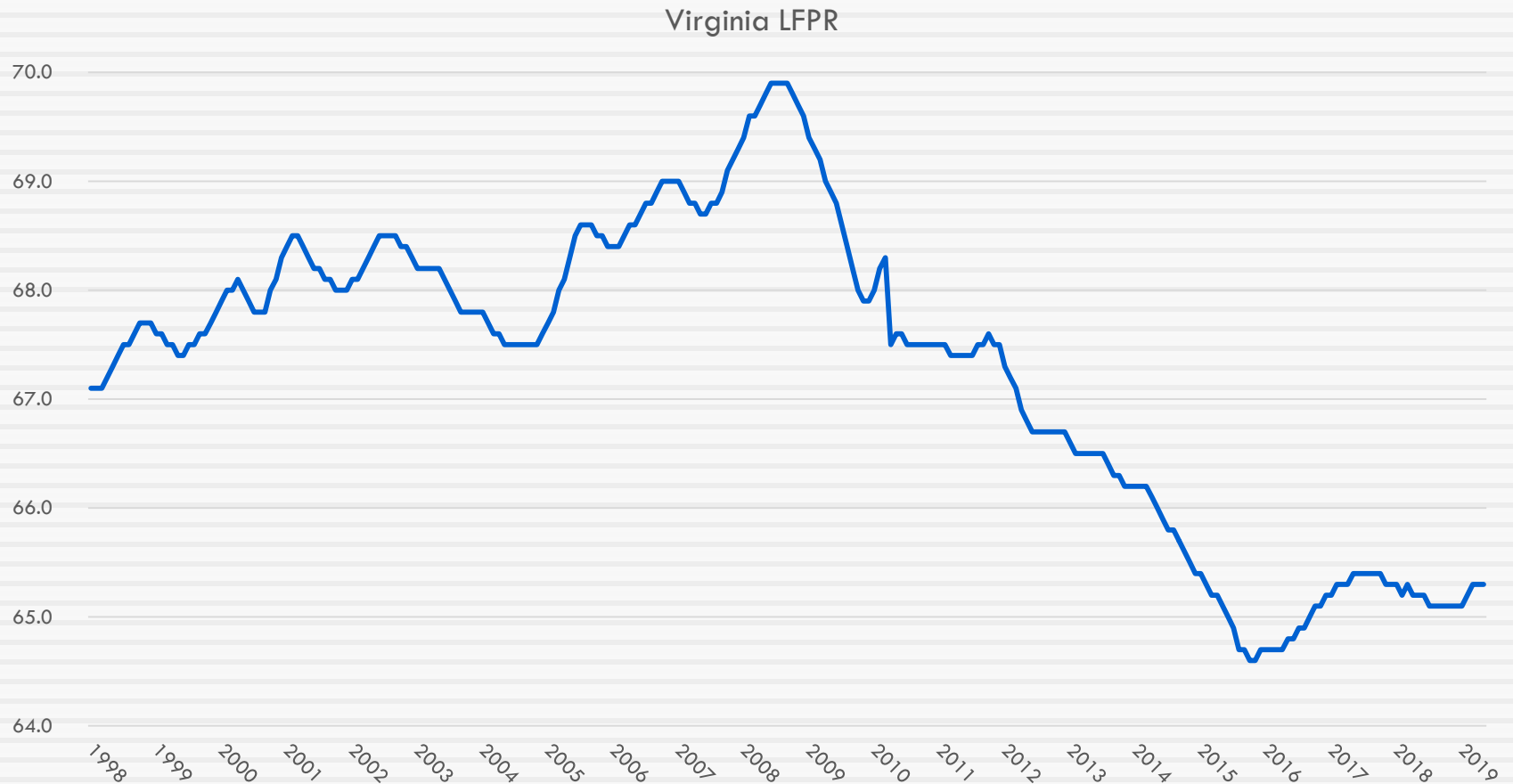
## **Labor Force *does not* include:**

- ▣ Anyone under the age of 16 years
- ▣ Anyone not working and not seeking work, or expecting to be called back to work

# Labor Force Participation Rates (LFPR) for Virginia



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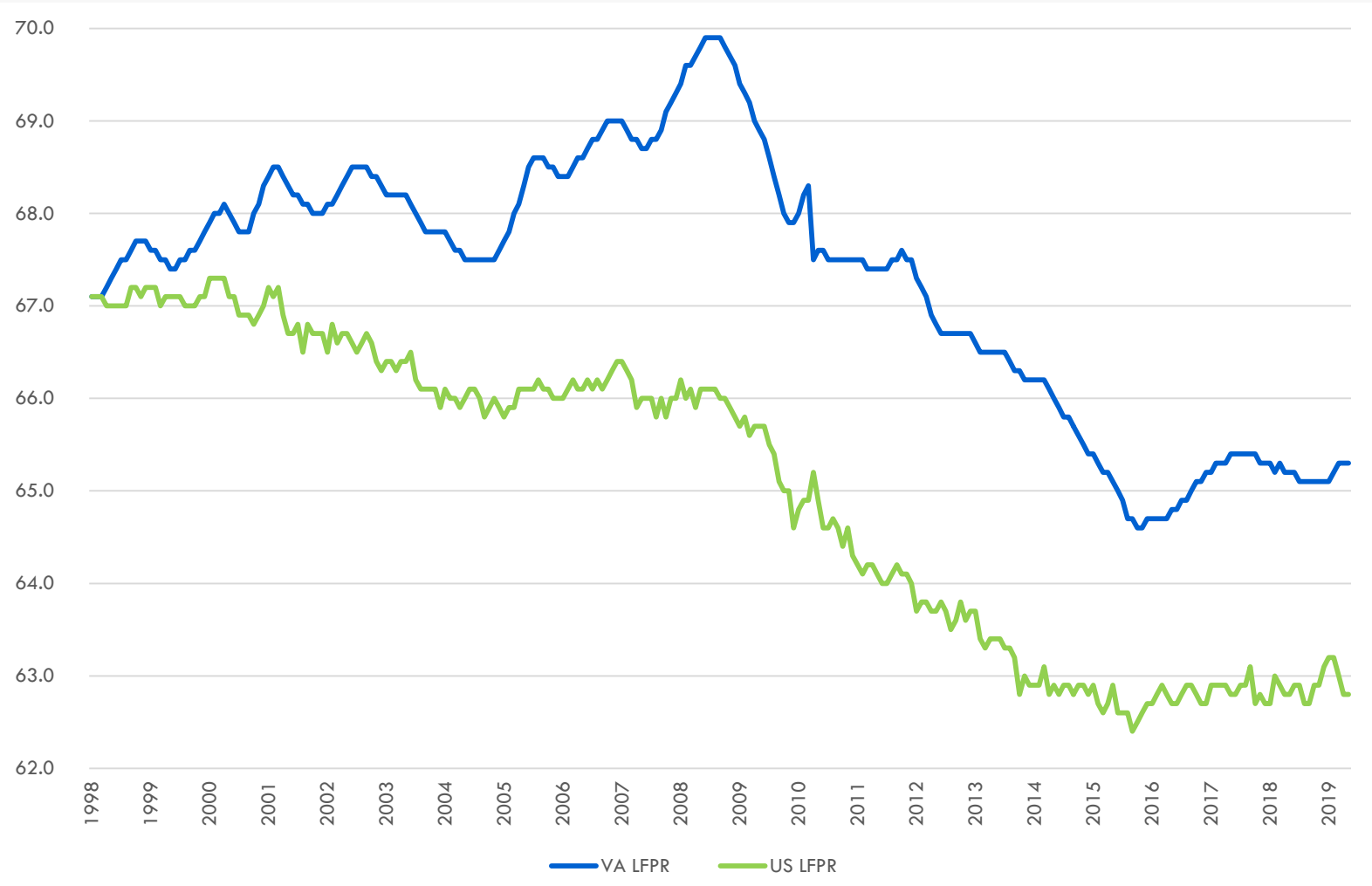


Source: Bureau of Labor Statistics <https://www.bls.gov/lau/rdscnp16.htm>

# Labor Force Participation Rates for Virginia vs. U.S.

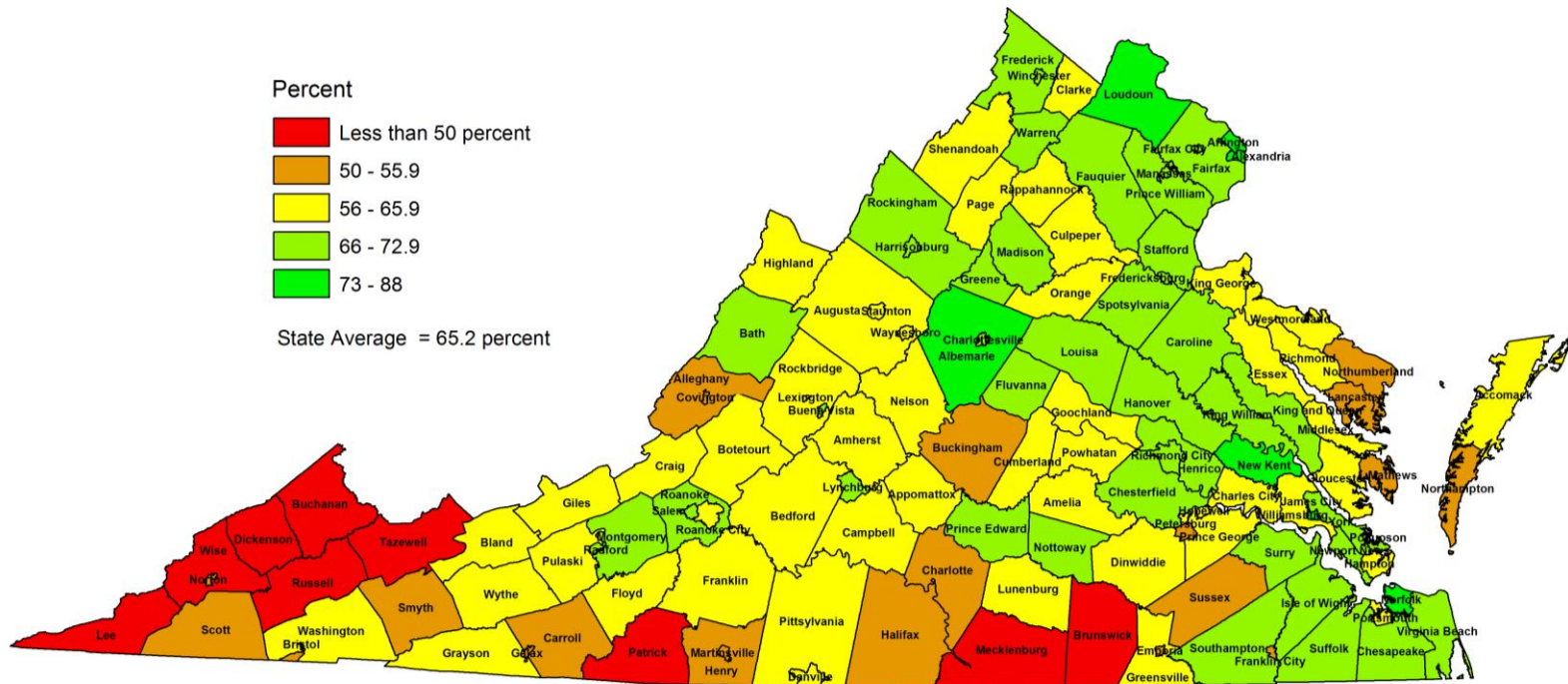


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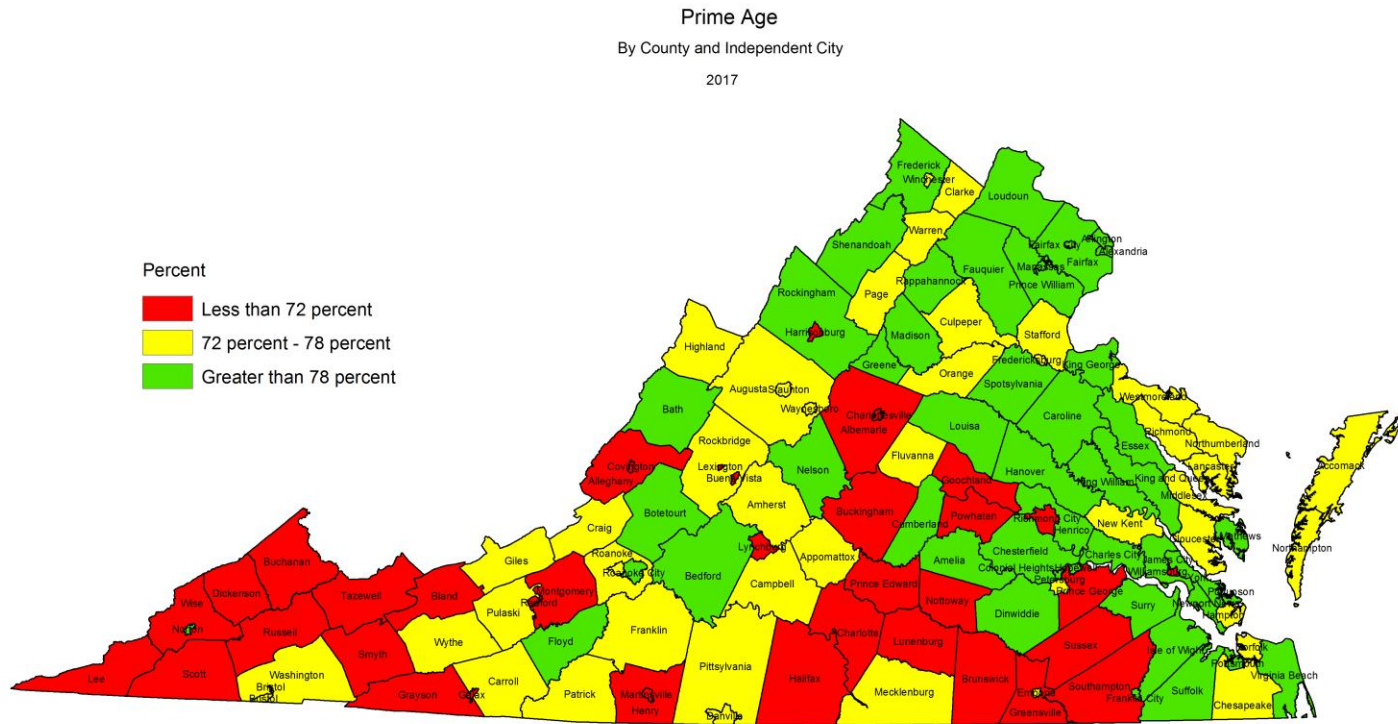
Source: Bureau of Labor Statistics

# Labor Force Participation Rates (2018)



Source: Virginia Employment Commission - Economic Information & Analytics Division, June 2019

# Labor Force Participation Rates Prime Age



Source: Virginia Employment Commission - Economic Information & Analytics Division, July 2019

# County vs. County Comparison



Arlington County		Dickenson County	
Population (2018)	237,521	Population (2018)	14,523
Growth (%) since 2010 Census	14.40%	Growth (%) since 2010 Census	-8.70%
Labor Force Participation Rate (2017)	77.3	Labor Force Participation Rate (2017)	35.3
Prime Age LFPR (2017)	86.6	Prime Age LFPR (2017)	56.7
Unemployment Rate (2018)	2.0	Unemployment Rate (2018)	5.2
High School Diploma or More - % of Adults 25+ (2017)	93.90%	High School Diploma or More - % of Adults 25+ (2017)	74.50%
Bachelor's Degree or More - % of Adults 25+ (2017)	74.10%	Bachelor's Degree or More - % of Adults 25+ (2017)	9.30%
Avg. Wage per Job	\$92,755	Avg. Wage per Job	\$39,764
Median Household Income (2017)	\$114,705	Median Household Income (2017)	\$33,383



# Why Do Individuals Abstain From the Labor Force?



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- Illness or disability (leading cause for men)
- To care for a family member (leading cause for women)
- Retirement
- To seek further education
- Discouraged with job opportunities in their area

# Policies That Can Raise Rates

- ❑ Policies aimed at making workplaces more accommodative for people with disabilities, and those caring for family members
- ❑ Policies aimed at encouraging seniors to remain in the workforce
- ❑ Six states have enacted laws to turn the state into a model employer of disabled individuals
- ❑ Policies intended to address various social issues including transportation and the opioid epidemic