



More Americans leaving workforce

By Dennis Cauchon

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The share of the population that is working fell to its lowest level last year since women started entering the workforce in large numbers three decades ago, a USA TODAY analysis finds.

Only 45.4% of Americans had jobs in 2010, the lowest rate since 1983 and down from a peak of 49.3% in 2000. Last year, just 66.8% of men had jobs, the lowest on record.

The bad economy, an aging population and a plateau in women working are contributing to changes that pose serious challenges for financing the nation's social programs.

"What's wrong with the economy may be speeding up trends that are already happening," says Marc Goldwein, policy director of the Committee for a Responsible Federal Budget, a non-partisan group favoring smaller deficits.

For example, job troubles appear to have slowed a trend of people working later in life, putting more pressure on Social Security, he says.

Another change: the bulk of those not working has shifted from children to adults.

In 2000, the nation had roughly the same number of children and non-working adults. Since then, the population of non-working adults has grown 27 million while the nation added just 3 million children under 18.

USA TODAY analyzed employment numbers and 2010 Census data to see how the ratio of workers to non-workers has changed.

Other key findings:

- Men leave. Working-age men have been dropping out of the labor force for decades. The disappearance quickened when construction and manufacturing jobs vanished in the recession from December 2007 through June 2009. Until the 1960s, more than 80% of men worked.
- Women stay. The trend of women getting jobs offset the loss of working men until the late 1990s. The share of women holding jobs rose from 36% in 1960 to 57% in 1995, then leveled off. The rate was 56% in 2010.

The aging of 77 million Baby Boomers born from 1946 through 1964 from children to workers to retirees is changing the relationship between workers and dependents.

Retirees generally are more costly to support than children.

The average public school education costs \$10,000 a year. The average retiree gets \$25,000 a year in benefits — \$13,000 in Social Security and Medicare benefits of \$12,000.

In all, taxpayers will spend about \$125,000 educating a child and \$500,000 caring for a senior, in today's dollars at current life expectancies, according to federal education and retirement program data. The costs are paid differently, too. State and local governments, through sales and property taxes, pay most education expenses. The federal government, through income taxes, pays most retiree costs.

"No matter how wealthy you are, you have a problem if half the population is not working and depending on those who are," says **John Goodman**, president of the conservative **National Center for Policy Analysis**. "Wherever you look, we've overpromised."

Economist Eileen Applebaum of the liberal Center for Economics and Policy Research says the real problem is a lack of jobs. Another 25 million people would work in a healthy economy, and incentives such as child care assistance could help, she says: "We're getting richer. We can afford things. We just need to fix what needs to be fixed."