



## What is the labor force?

The *civilian non-institutionalized population* is the starting point for most labor force statistics. The civilian non-institutionalized population consists of all persons aged 16 years old or older who are not in the military and who are not institutionalized. The institutionalized population includes jail and penitentiary inmates, patients at psychiatric hospitals, persons in nursing homes, and persons in boarding schools. In July 2016, the civilian non-institutionalized population (16+) of the US consisted of 253.6 million persons or about three-fourths of the nation's population of 324.3 million persons. About 71.5 million persons were under the age of 16.

The *civilian labor force* is defined as those persons in the civilian non-institutionalized population who are either employed or unemployed. This definition does not include all persons in the civilian non-institutionalized population. People who do not have jobs but are not actively seeking work are not counted as part of the labor force. In July 2016 there were 159 million persons in the U.S. civilian labor force.

The *Labor Force Participation Rate* (LFPR) is the proportion of persons in the civilian non-institutionalized population who are members of the labor force. In July 2016, the national LFPR was 0.63. This figure is simply the 159 million persons in the civilian labor force divided by the 253.6 million persons in the civilian non-institutionalized population. Usually, this figure is multiplied by 100 so that it can be expressed as a percent (in this case, 63 percent).

A person is *employed* if he or she meets any of the following criteria during the survey period: (a) worked at least one hour as a paid employee, (b) worked in his or her own business, (c) worked at least fifteen hours per week as an unpaid worker in a family business or farm, or (d) was temporarily absent from work due to illness, vacation, etc. In July 2016, there were 151.5 million employed persons in the U.S.

A person is *unemployed* if they are not currently employed but are actively seeking employment. This definition of unemployment includes persons waiting recall from a temporary lay-off and those waiting to report for work within thirty days. In July 2016, there were 7.7 million unemployed persons in the nation or about 4.8 percent of the civilian labor force.

There are several sources of labor market statistics. The U.S. Bureau of Labor Statistics (BLS) is a comprehensive source of labor market data. BLS produces labor market reports from both household surveys and surveys of establishments (businesses). The BLS website is: [www.bls.gov](http://www.bls.gov). The Census Bureau ([www.census.gov](http://www.census.gov)) cooperates with BLS in conducting labor force surveys. Labor market data in great detail are also available from the decennial census of population and the American Community Survey. *County Business Patterns*, an annual publication of the U.S. Census Bureau is an especially useful source of employment data by industry for states and counties. The County Business Patterns data are derived from surveys of employers. The Bureau of Economic Analysis (BEA) of the U.S. Department of Commerce also produces employment by industry data on an annual basis. Ultimately, the BEA data are derived from the Bureau of Labor Statistics data. The New Mexico Department of Workforce Solutions (previously the New Mexico

Department of Labor) also publishes detailed labor market data for New Mexico and its counties. It is important to understand the sources of the data because the data do differ. The differences occur because of the use of different definitions, methods of data collection, and timing.

The following table summarizes the labor market statistics described above.

July Labor Market Summary		
	Number (1,000s)	Percent
Civilian non-institutionalized population 16 years old and older	253,620	
Civilian Labor Force	159,287	
Labor Force Participation Rate (Percent)		62.8
Employed	151,517	
Unemployed	7,770	
Unemployment Rate (percent)		4.9
Not in the Labor Force	94,333	
Source: U.S. Bureau of Labor Statistics, The Employment Situation, July 2016 <a href="http://www.bls.gov/news.release/pdf/empsit.pdf">http://www.bls.gov/news.release/pdf/empsit.pdf</a>		

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