

## Employment outlook: 2010–2020

# Industry employment and output projections to 2020

*The health care and social assistance sector and the professional and business services sector will account for almost half the projected job growth from 2010 to 2020; construction is projected to rebound from the most recent recession and add jobs, while employment in manufacturing is expected to decline over the period*

Richard Henderson

**T**his release of the Bureau of Labor Statistics (BLS) projections, which are published every 2 years, is the second since the recession that began in December 2007.<sup>1</sup> The characteristics and impacts of a recession are usually understood only in retrospect. Industries are affected differently, and the recovery for each industry can occur at different paces and along different paths. These recovery paths for an industry are greatly influenced by a recession's impact on the industry. The latest recession severely affected the construction industry, while the health care sector seemed unaffected. The biennial BLS projections assume that the economy is at or near full employment. This article will present the industry-level perspective of the BLS employment projections within that context.

BLS projects that total employment in the United States will rise 20.5 million between 2010 and 2020, from about 143.1 million to 163.5 million.<sup>2</sup> The annual growth rate of 1.3 percent reverses the 0.2-percent annual rate of decline that occurred during the 2000–2010 period, in which 3.2 million jobs were lost. The majority of the growth in employment can be attributed to an increase in the number of nonagricultural wage and salary workers, who will account for about 9 out of 10 projected jobs in the upcoming period. This employment growth will add 19.7 million jobs and is expected to

reach 150.2 million in 2020.<sup>3</sup> The number of agricultural workers, which includes self-employed people, unpaid family workers, and wage and salary workers, is expected to decline by 130,200. The remaining growth is accounted for by a projected increase of 776,800 nonagricultural self-employed and unpaid family workers, whose employment is projected to rise to more than 9.7 million by 2020. (See table 1.)

Real output is projected to increase from \$23.2 trillion to \$30.9 trillion (in chain-weighted 2005 dollars),<sup>4</sup> an annual growth rate of 2.9 percent during the 2010–2020 period. This growth rate is faster than the 1.0-percent annual growth rate experienced during the 2000–2010 period. The majority of output growth is projected to come from the service-providing sectors. Real output in these sectors is expected to rise from \$16.2 trillion to \$21.6 trillion, 2.9 percent per year, over the 2010–2020 period. This growth rate is faster than the 1.8-percent-per-year rate of increase seen in the 2000–2010 period. The service-providing sectors are expected to increase their share of nominal output from 69.4 percent in 2010 to 71.1 percent in 2020. The goods-producing sectors, excluding agriculture, are projected to increase their real output by \$1.8 trillion to reach \$7.4 trillion in 2020, an annual increase of 2.9 percent. This growth rate is faster than the 1.1-percent annual rate of decline expected

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