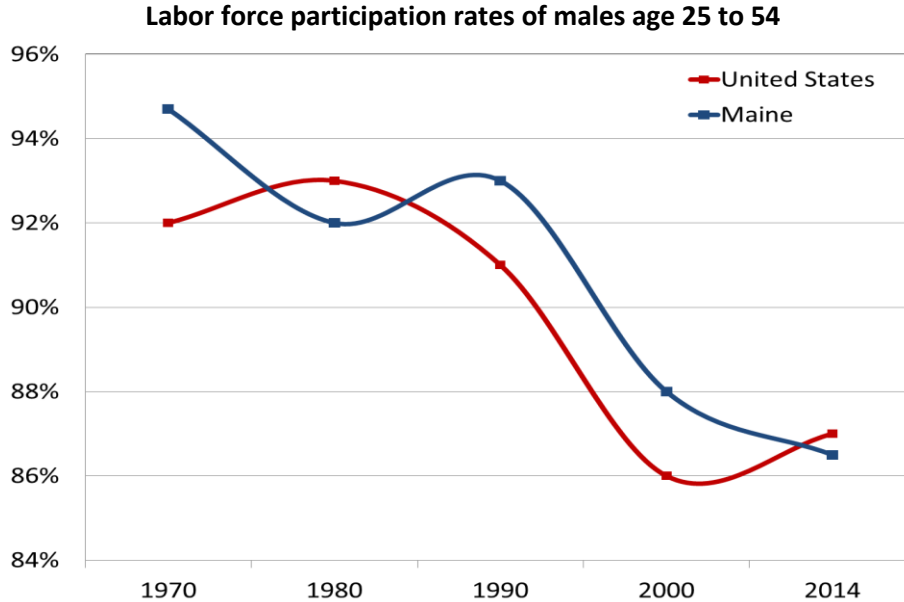


What is Causing Labor Force Participation of Prime-Age Males to Decline?

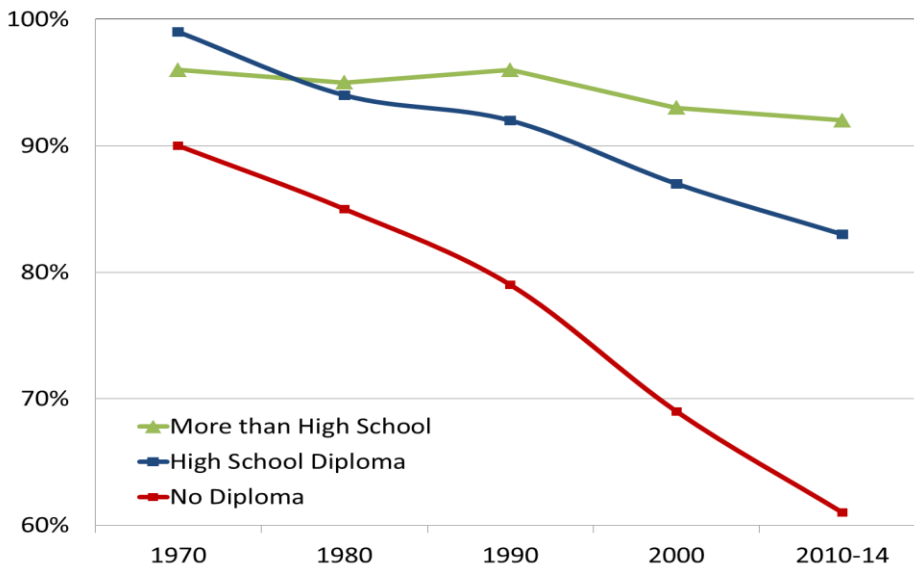
Labor force participation of males age 25 to 54 has gradually declined over the last four decades, in both the United States and Maine, with a sharp decline beginning in 1990. The share of prime-age males in Maine who were working or looking for work declined from nearly 95 percent in 1970 to slightly more than 86 percent in 2014.



Differences by Education

In 1970, differences in our state's labor force participation by educational attainment were small; they now differ markedly. From 1970 to the post-recession period of 2010 to 2014, participation in the labor force declined just four percentage points among prime-age males with education beyond high school, but 17 points among those with only a diploma, and a sharp 39 points among those with no diploma. Differences in labor force participation by educational attainment are now the largest on record. The participation gap between men with education beyond high school and those with only a diploma is 9 percentage points and for those with no diploma the gap is 32 points.

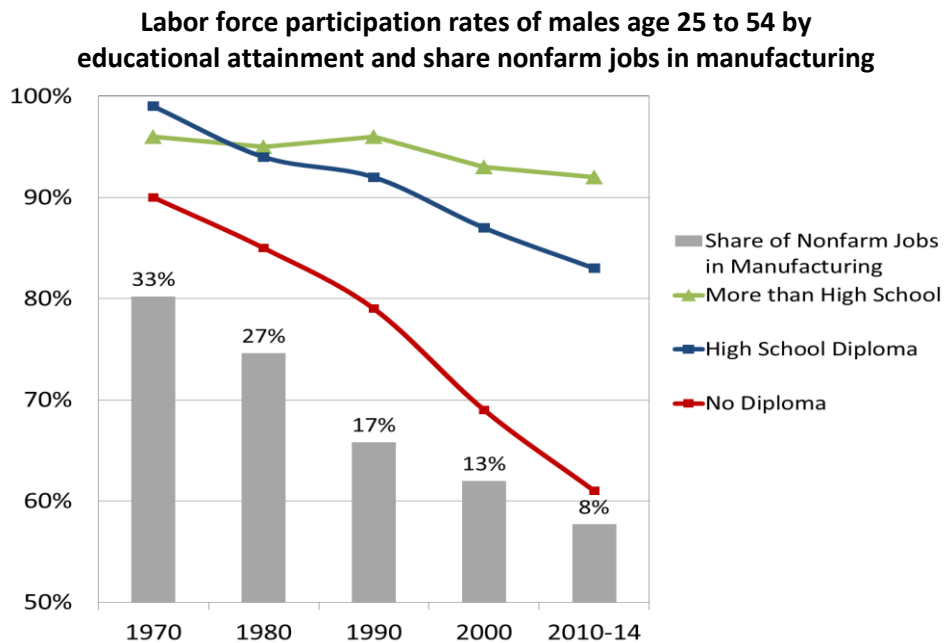
Labor force participation rates of males age 25 to 54 by educational attainment



Causes of Lower Labor Force Participation

Declining participation may be partly due to some men enrolling in educational programs to improve their standing in the labor market and some staying home to take care of children, but not many. In the period from 2010 to 2014, an average of 93 percent of 25 to 54-year-old males who were not in the labor force were also not in school; 75 percent had no children in their home.

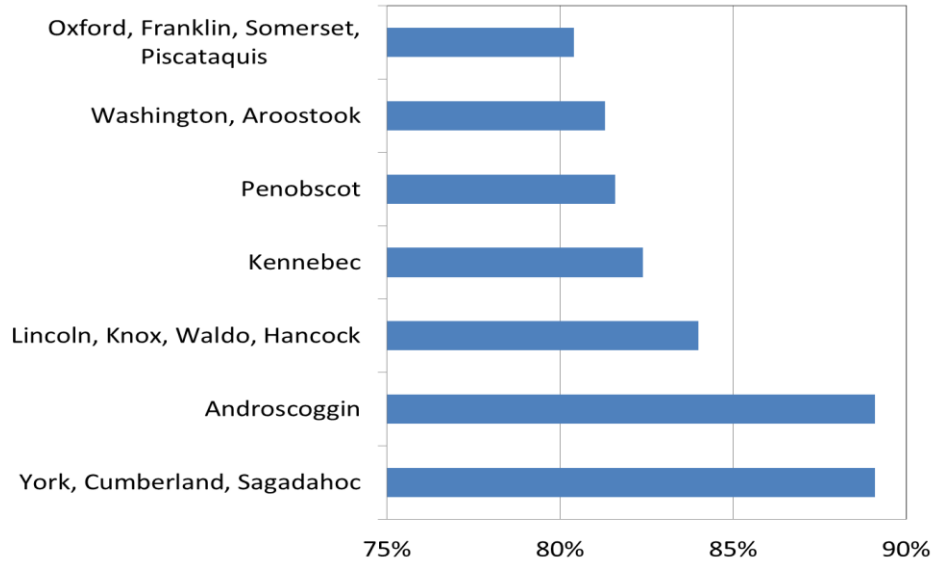
The trend of declining participation of men without an education beyond high school coincides with the decline in manufacturing jobs. The manufacturing sector traditionally provided large numbers of production, transportation, and repair jobs that did not require post-secondary education, but did offer middle-income wages. The decline of textile mills, shoe shops, paper mills and other forest-products industries, and other types of manufacturers left a void of opportunity for many men whose experience is not in demand in such well-paying, hiring sectors as healthcare and professional services, nor in the modern manufacturing environment that increasingly involves complex processes and requires higher education and skills.



Regional Divide

Participation of prime-age men is lowest along the rural, western and northeastern rim of the state. These areas experienced a disproportionate share of manufacturing job loss. Educational attainment of the population is lower there than in the southern and central counties where participation is higher.

**Labor force participation rates of males age 25 to 54 by region
(2012 to 2014 averages)**



In the years ahead, the labor market is expected to tighten considerably because the number of baby boomers who will be retiring exceeds the number of young people who will begin working. For this reason, it imperative that we find ways to engage prime-age men who are not in the workforce by helping them gain the education and job skills employers need.

All data developed using IPUMS-USA, University of Minnesota.