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Trends in Labor Force Participation and Employment

By Craig Copeland, Ph.D., Employee Benefit Research Institute

AT A GLANCE

This *Issue Brief* examines the U.S. civilian labor force through December 2022, using data from the U.S. Census Bureau's Current Population Survey, available through the Bureau of Labor Statistics. First, it investigates the trends in labor force participation rates of those ages 55 or older by age and gender. It also explores labor force trends for those ages 16 or older. Along with the labor force participation rates, the age and gender composition of the labor force and the adult population are investigated, allowing for the identification of key labor force and population trends. Finally, there is an analysis of how the labor force and employment changed from 2019–2022 for individuals of various ages, genders, and races and ethnicities. Key findings include:

- In 2021 and 2020, among males, the labor force participation rates of those ages 55–69 increased, but they declined for those ages 70 or older. Increases in the labor force participation rates of females ages 55–59 and 60–64 also resulted in 2021 and 2022, but the labor force participation rates decreased for females ages 65–69 and increased for those ages 70–74 in 2022.
- In 2022, the male share of the labor force (highest since 2001) ages 55 or older increased. Despite the falling share of the labor force since 2010, females ages 55 or older are still a significantly higher share of the labor force than they were in as late as the 1990s.
- In 2021 and 2022, the labor force participation rates of those ages 25–54 trended toward their 2019 levels but did not quite reach them. The labor force participation rates of those ages 16–19 and ages 55–64 reached or surpassed their 2019 levels. In contrast, the labor force participation rate of those ages 65 or older in 2021 and 2022 stayed at its 2020 level, below its 2019 level, while the labor force participation rate of those ages 20–24 decreased in 2022 below its 2021 and 2019 levels.
- The male employment rate dropped by 3.8 percentage points in 2020, while the female rate had declined by 3.5 percentage points. By 2022, the difference in the employment rates of males and females from 2019 had nearly recovered to only 1 percentage point below their 2019 levels.
- By 2022, Black Americans had made the biggest recovery, as their 2022 labor force participation rate was only 0.8 percentage points below its 2019 level, while the other two race/ethnicity categories studied had differences of at least 0.9 percentage points between their 2019 and 2022 levels.

While Black and Hispanic Americans were more likely to not be employed in 2020, they made a faster recovery than White Americans, where the number of Black and Hispanic Americans employed in 2022 was larger than it was in 2019. Thus, companies face more urgency in addressing labor force issues around race/ethnicity so that they can develop a strong work force. In addition to race/ethnicity, the age of the labor force will also play an important role in companies' work force development. At present, the aging of the Baby Boom generation has resulted in an increased share of older individuals in the labor force. However, members of this generation are almost all at least in their 60s, and the next generation (Gen X) is much smaller, so the share of workers ages 55 or older will soon be decreasing.

A continued strong labor market will likely lead to the labor force participation rates and employment population rates of 2019 being reached. However, a downturn in the economy would likely halt the movement back to 2019 levels, and who is out of the labor force after any downturn could significantly alter what companies' work forces look like and what Americans have saved for retirement.

Craig Copeland is Director of Wealth Benefits Research at the Employee Benefit Research Institute (EBRI). This Issue Brief was written with assistance from the Institute's research and editorial staffs. Any views expressed in this report are those of the author and should not be ascribed to the officers, trustees, or other sponsors of EBRI, Employee Benefit Research Institute-Education and Research Fund (EBRI-ERF), or their staffs. Neither EBRI nor EBRI-ERF lobbies or takes positions on specific policy proposals. EBRI invites comment on this research.

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Introduction

As the Baby Boom generation[1] has aged, the American labor force as a whole has also grown older. In an attempt to examine the extent of the aging of the labor force, this *Issue Brief* considers several labor force questions relating to the civilian noninstitutionalized American population, including (i) the labor force participation (LFP) rates by age and gender and (ii) the shares of the U.S. population and the U.S. civilian labor force by age and gender.[2] This study focuses on both the period prior to the economic recession in the late 2000s and the period after the recession, with a particular focus on 2019–2022 to assess the impact of the pandemic on the labor force in the United States.[3] It begins by examining the older population (those ages 55 or older) and then expands to the full population (those ages 16 or older). Finally, a thorough examination of the labor force from 2019–2022 by age, gender, and race/ethnicity is presented.

An important metric in this study is the *labor force participation rate*, which measures the percentage of individuals within a specific population group (e.g., those ages 55 or older) who are working or *actively* seeking work.[4]

The data on the labor force and the noninstitutionalized population as a whole are for December of each year and are from the U.S. Census Bureau's Current Population Survey (CPS), available from the Bureau of Labor Statistics.[5]

Labor Force Participation Rates Among the Population Ages 55 or Older

Starting with a longer-term view of LFP, the percentage of civilian noninstitutionalized Americans ages 55 or older in the labor force declined from 34.2 percent in December 1975 to 29.3 percent in December 1992 (Figure 1). Subsequently, the LFP rate of this group increased through December 2008, reaching 40.0 percent. After 2008, the LFP rate hovered around 40.0 percent, moving from a high of 40.6 percent in December 2012 to a low of 39.6 percent in December 2016 before peaking again at 40.2 percent in 2019. In December 2020, the rate fell to 38.5 percent — its lowest level since 2005 (37.7 percent). In 2021 and 2022, the LFP rate increased, growing closer to its 2019 level at 38.8 percent in 2022.[6]

The LFP rate for men ages 55 or older followed the same pattern as the overall population, falling from 48.1 percent in 1975 to 37.3 percent in 1993 before increasing to 46.5 percent in 2008. After 2008, men's LFP rate flattened out, staying just around 46.0 percent through 2019, ranging from 46.9 percent in 2012 to 45.5 percent in 2016. In 2020, the LFP rate again fell dramatically to 44.3 percent. The lowest level since 2005, the 2020 level essentially matched the 2005 level of 44.4 percent, which was still significantly above the low points of 1990s but an erosion of all the gains since 2005. It did rebound somewhat to 44.6 percent in 2022.

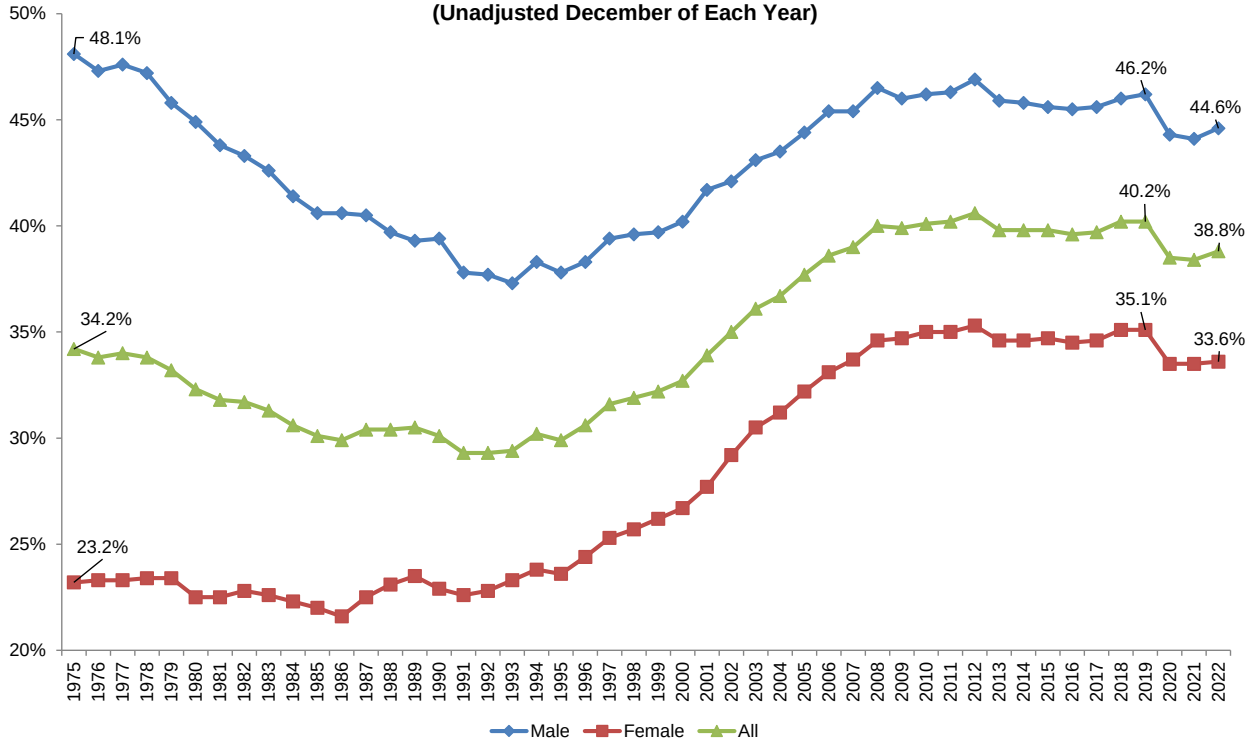
The LFP rate of women these ages followed a different trend prior to 1993: It remained essentially flat from 1975 to 1993 (23.2 percent to 23.3 percent). However, after 1993, the LFP rate of women followed a similar pattern to that of men, increasing to 34.6 percent in 2008 and then leveling off from 2009–2016 at around 35.0 percent, settling at 35.1 percent in 2019. In 2020, the rate dropped by an amount similar to that of men, reaching 33.5 percent. This was the lowest level for women since 2006 (33.1 percent), but as with the trend for men, it was still much higher than the lows of the rates from the 1990s and before. Again, the LFP rate for females inched up in 2022 to 33.6 percent.

Among those ages 55 or older, LFP rates increased for all ages from 1987 to 2019 (Figure 2). For age cohorts 65 or older, the peak rates were reached in 2019. For those ages 65–69, 34.8 percent were in the labor force in 2019 compared with 19.9 percent in 1987. A similar increase resulted for those ages 70–74: 10.6 percent in 1987 to 20.4 percent in 2019. The LFP rate in 2019 for those ages 60–64 was essentially equal to its 2018 value (57.3 percent vs. 57.2 percent). However, the one age group that had a higher LFP in the 2000s than in 2019 were those ages 55–59, for whom the LFP rate peaked in 2008 at 73.6 percent compared with 72.8 percent in 2019.

Figure 1

Civilian U.S. Labor Force Participation Rates for Those Ages 55 or Older, by Gender, 1975–2022

(Unadjusted December of Each Year)

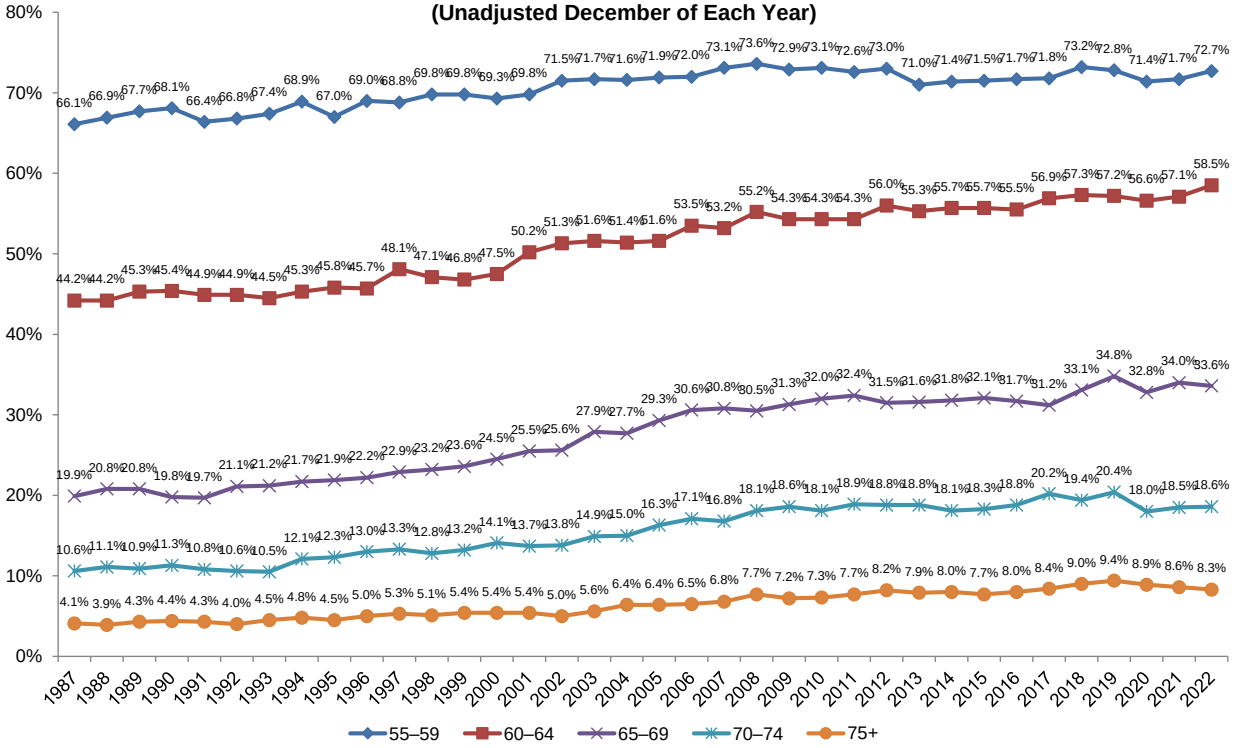


Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 2

Civilian U.S. Labor Force Participation Rates for Those Ages 55 or Older, by Age, 1987–2022

(Unadjusted December of Each Year)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

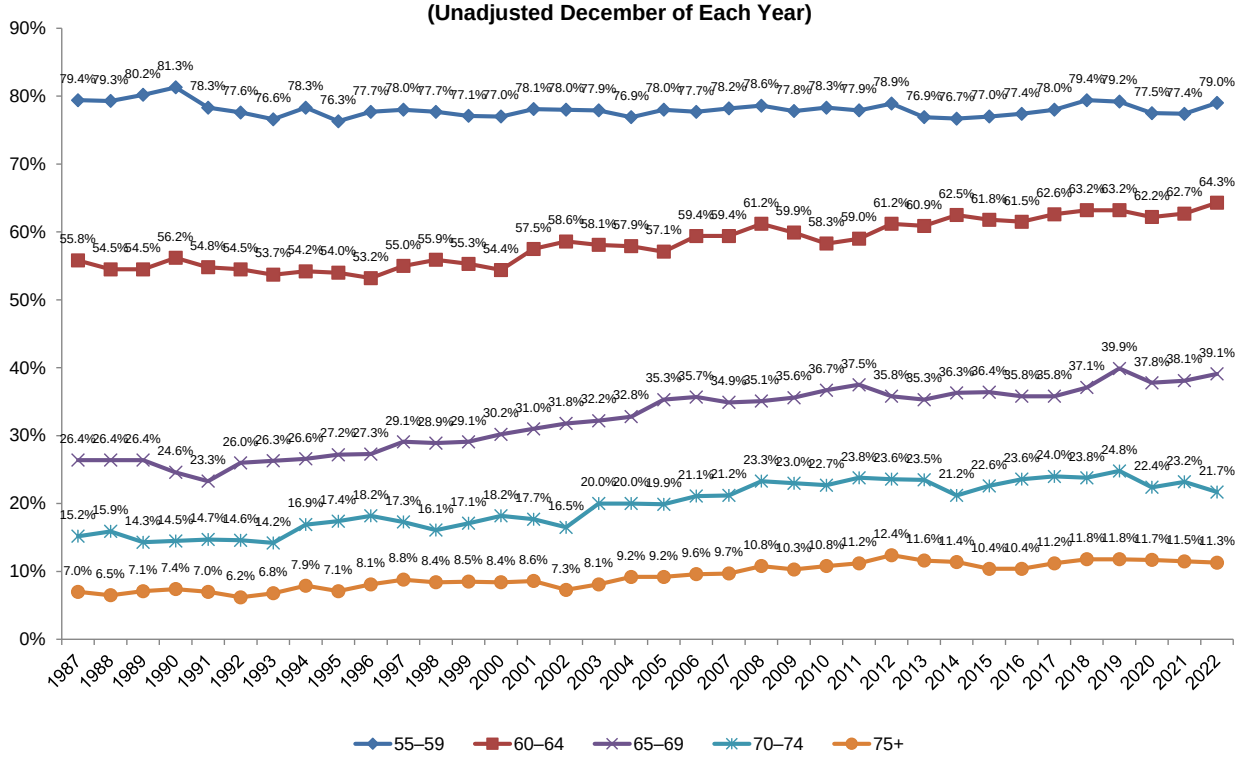
In 2020, the LFP rates fell across each age group. The largest declines were for those ages 65–69 and 70–74 — a 2.0 percentage point decline and a 2.4 percentage point decline, respectively. The LFP rates of those ages 60–64 and 75 or older had the smallest declines, decreasing by about 0.5 percentage points each. However, the LFP rates in 2020 were at or above their levels in 2015.

By 2022, the LFP rates of those ages 55–59 and 60–64 had nearly reached or surpassed their 2019 levels. For those ages 55–59, the LFP rate was 72.7 percent in 2022 vs. 72.8 percent in 2019, while the LFP rate of those ages 60–64 was 58.5 percent — the highest rate it has been since 1987, including 2019. However, for those ages 65 or older, the LFP rates have not returned to their pre-pandemic levels, with the LFP rates of those ages 75 or older declining each year after 2019.

The LFP trends for the same ages, when segmented by gender, differed from each other through about 2012. For males ages 55–59, the labor force participation rate held steady through 2012 after falling from 1990–1993 (Figure 3). In contrast, the LFP rate for females ages 55–59 trended upward from 1987–2008, after which it declined from 69.0 percent in 2008 to 67.5 percent in 2012 (Figure 4). In 2013, the participation rates for both males and females declined before trending upward through 2018. After this increase, the participation rates had small declines in 2019 (before the pandemic) and much larger drops in 2020 during the pandemic, reaching the lowest levels since 2016 for males and 2013 for females. Furthermore, before leveling off beginning in 2008, the LFP rates for females ages 60 or older had much steeper increases than the LFP rates for males ages 60 or older. For example, the female LFP rate for those ages 60–64 increased from 34.1 percent in 1987 to 49.6 percent in 2008, while the male LFP rate increased from 55.8 percent to 61.2 percent. Lastly, the LFP rates increased in the 2010s for both genders, peaking in 2018 or 2019, before declining across all ages/genders in 2020.

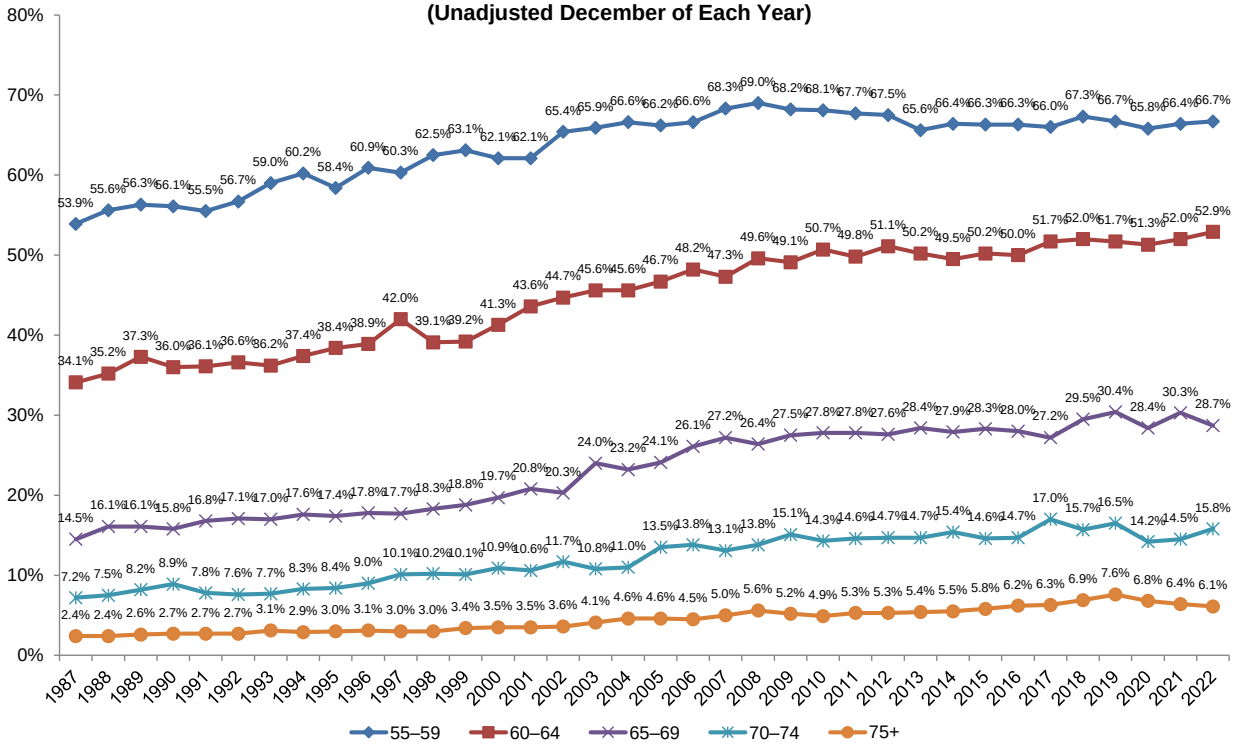
In 2021 and 2020, among males, the LFP rates in each age category under age 70 increased, but it declined for those 70 or older. Increases in the LFP rates of females ages 55–59 and 60–64 also resulted in 2021 and 2022, but the LFP rate in 2022 decreased for females ages 65–69 and increased for those ages 70–74.

Figure 3
Civilian Male U.S. Labor Force Participation Rates for Those Ages 55 or Older, by Age, 1987–2022
(Unadjusted December of Each Year)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 4
Civilian Female U.S. Labor Force Participation Rates for Those Ages 55 or Older, by Age, 1987–2022
(Unadjusted December of Each Year)

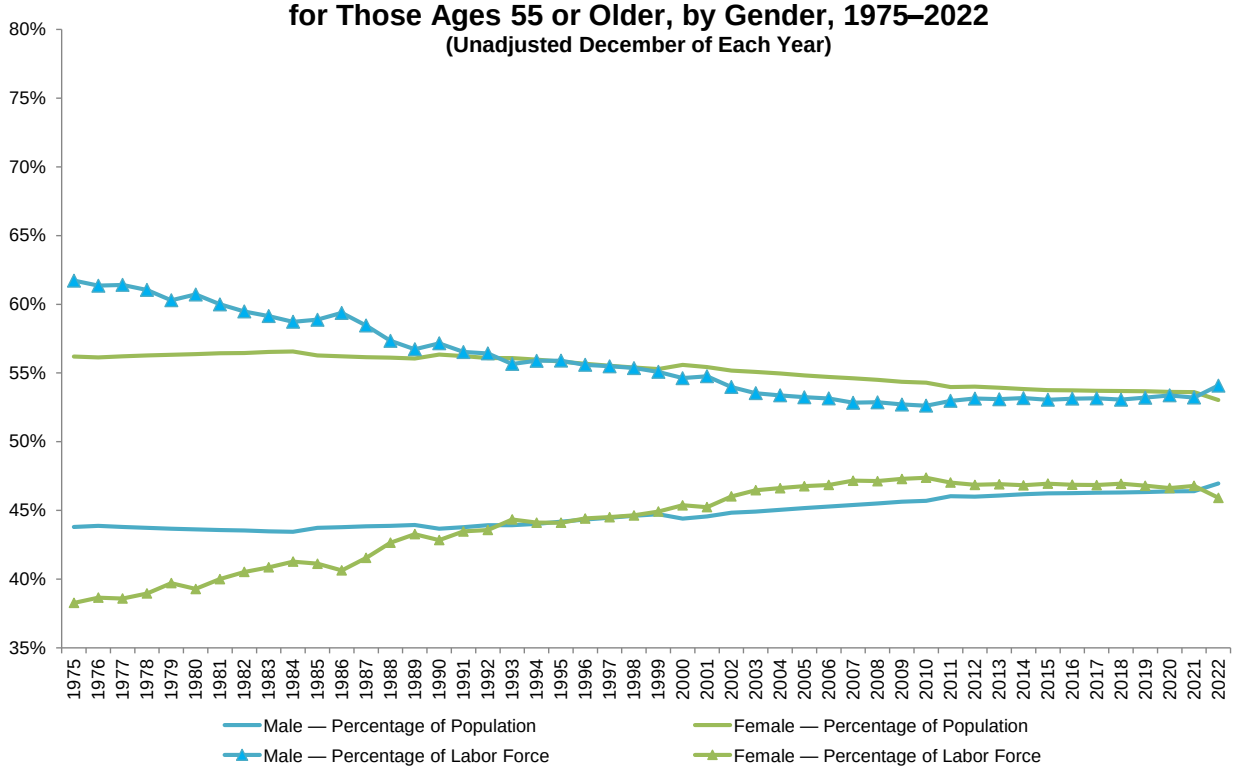


Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Age and Gender Composition of the Population and Labor Force Ages 55 or Older

The changes in the LFP rates of males and females altered the distribution of the males' and females' shares in the labor force.[7] As Figure 5 shows, while the percentage of the female population ages 55 or older decreased from 56.2 percent in 1975 to 53.6 percent in 2020, the percentage of the female labor force ages 55 or older increased from 38.2 percent in 1975 to 46.6 percent in 2020, although the share of this labor force represented by females peaked at 47.4 percent in 2010. In 2022, the male shares of the labor force (highest since 2001) and the population increased. Despite the falling share since 2010, females ages 55 or older have not only become more likely to participate in the labor force (see the prior section), but they have also become a larger share of the labor force since the mid-1970s.

Figure 5
Distribution of the Civilian U.S. Noninstitutionalized Population and Labor Force for Those Ages 55 or Older, by Gender, 1975–2022
(Unadjusted December of Each Year)



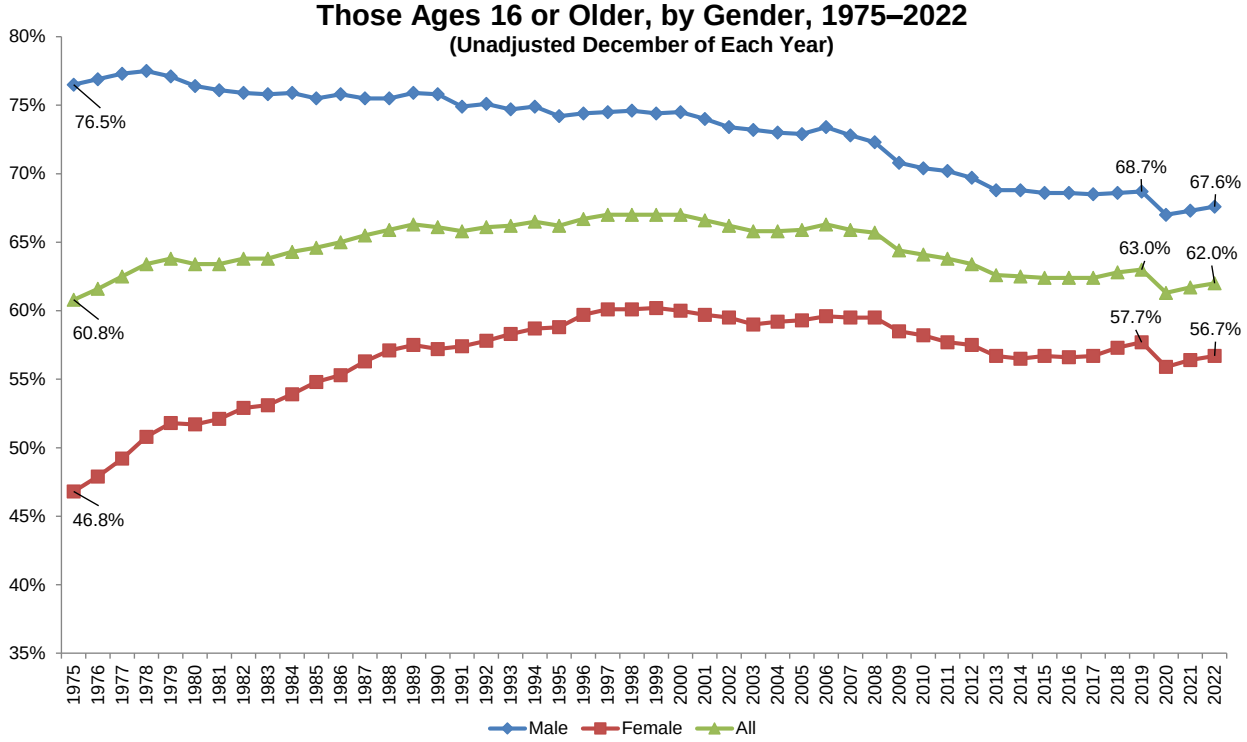
Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Labor Force Participation Rates Among the Population Ages 16 or Older

The LFP rate for the population ages 16 or older increased from 1975 to 1989 before flattening out until 2008 and then declining through 2015, where it was steady to increasing until 2019 (Figure 6). Specifically, the rate went from 60.8 percent in 1975 to 66.3 percent in 1989, and it remained around 66 percent through 2008 (65.7 percent in 2008). It subsequently trended downward to 62.4 percent by 2015, where it stayed through 2017, before reaching 63.0 percent in 2019. However, in 2020, the rate plummeted to 61.3 percent, the lowest level since 1975, before trending back up in 2021 and 2022, reaching 62.0 percent.

The LFP patterns for males and females of the population ages 16 and older have been different from each other. The LFP rate for males ages 16 or older trended downward throughout the 1975–2019 period, going from 76.5 percent to 68.7 percent. In contrast, the labor force participation rate for females ages 16 or older increased from 46.8 percent in 1975 to 60.2 percent in 1999 before heading downward to 56.4 percent in 2014 and upward to 57.7 percent in 2019. The rates for both genders fell significantly in 2020. For males, it fell to 67.0 percent, by far its lowest rate over the 1975–2020 period, while the female rate dropped to 55.9 percent, the lowest rate since 1986. However, in 2021 and 2022, the rates for both females and males moved back toward their 2019 levels but were approximately 1 percentage point below them.

Figure 6
Civilian U.S. Labor Force Participation Rates for Those Ages 16 or Older, by Gender, 1975–2022
(Unadjusted December of Each Year)



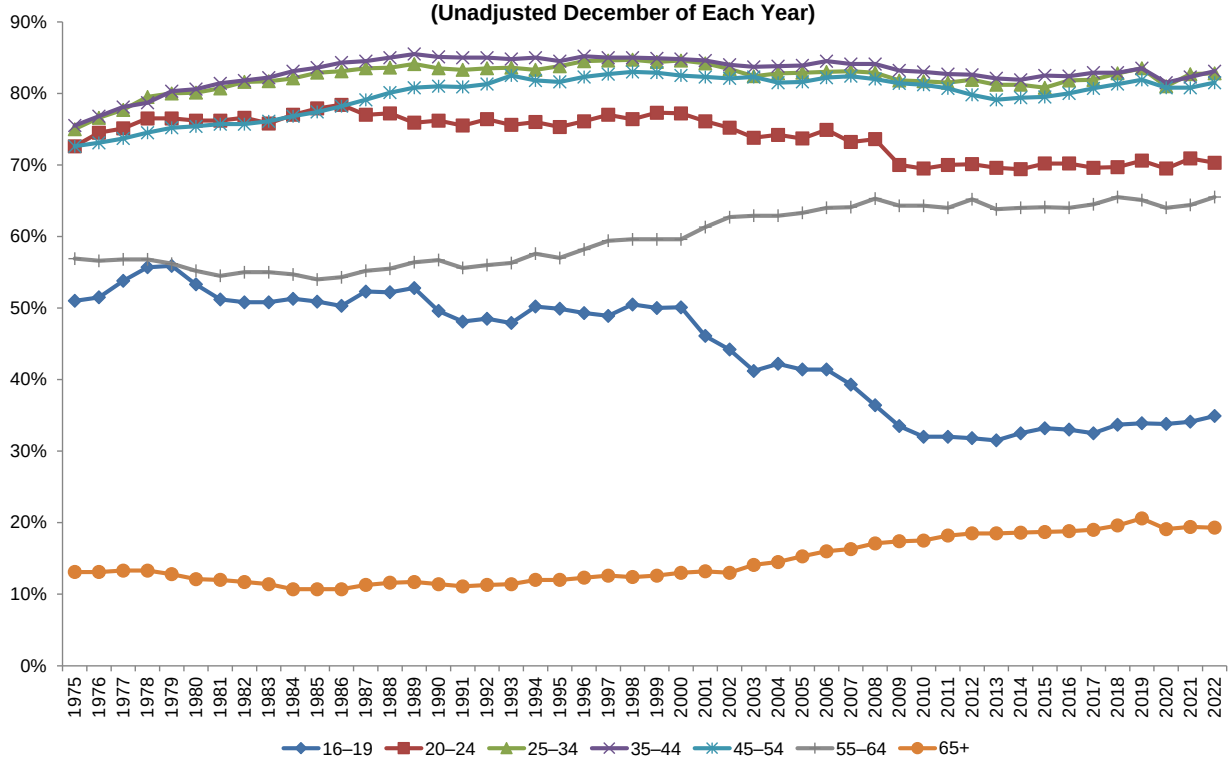
Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

LFP rate trends have also differed by age among the population ages 16 or older. Specifically, the LFP rates among those ages 25–54 increased from the 72–75 percent range in 1975 to the 81–85 percent range in 1989 (Figure 7). The rates remained at these levels until 2007, when they began trending downward into the 79–82 percent range until 2015 before trending upward in 2016–2019. In each of these age groups, the participation rates fell by 1.1 to 2.5 percentage points in 2020.

By contrast, the LFP rate trends for the oldest and youngest age cohorts (ages 16–24 and ages 55 or older) were different not only from the trend for those ages 25–54, but also from each other. Indeed, the trends for the oldest and youngest groups moved in different directions. For those ages 55 or older, LFP rates declined throughout the 1980s and then increased until 2008, when the rate for those ages 55–64 leveled off through 2019 and the rate for those ages 65 or older still increased but at a much slower pace. But for those ages 16–24, the LFP rates were mostly flat until around 2000, when they started declining. The LFP rate for those ages 20–24 fell from 77.2 percent in 2000 to 70.0 percent in 2009 and remained right near that level through 2019. For those ages 16–19, the rate dropped sharply from 50.1 percent in 2001 to 31.5 percent in 2013 and then rebounded to 33.9 percent by 2019. The 2020 declines were much smaller for these oldest and youngest individuals, with the largest decreases being 1.5 percentage points (those ages 65 or older) and only 0.1 percentage point (those ages 16–19).

In 2021 and 2022, the LFP rates of those ages 25–54 trended toward their 2019 levels, but did not reach them. The LFP rates of those ages 16–19 and ages 55–64 reached or surpassed their 2019 levels. In contrast, the LFP rate of those ages 65 or older in 2021 and 2022 stayed at its 2020 level, below its 2019 level, while the LFP rate of those ages 20–24 decreased in 2022 below its 2021 and 2019 levels.

Figure 7
Civilian U.S. Labor Force Participation Rates for Those Ages 16 or Older, by Age, 1975–2022
(Unadjusted December of Each Year)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Males and females have very dissimilar LFP-rate trends. The LFP rates for each male age group trended downward overall from 1975–2019, except for those ages 65 or older (Figure 8). The steepest decline was in the rate for males ages 16–19 (53.8 percent in 1975 to 34.0 percent in 2019). The LFP rate for males ages 20–24 also had a sizable but smaller drop than the youngest ages, while males of other ages below age 65 had gradual overall declines. For example, the labor force participation rate for males ages 45–54 decreased from 91.9 percent in 1975 to 87.5 percent in 2019. For males ages 65 or older, after declining throughout the 1980s, the LFP rate began an upward trend in the early 1990s and reached 24.9 percent in 2019 compared with 20.2 percent in 1975. In each age group, participation decreased, with the largest decline being 2.3 percentage points for those ages 25–34.

The LFP rates for females ages 25–54 rose from 1975 through about 1988, when the rates plateaued (Figure 9). In contrast, the LFP rates for females ages 55–64 continued upward until they flattened out after 2008. For the oldest females (those ages 65 or older), the rate was basically flat until the mid-1990s, when it gradually moved upward through 2019 (going from less than 10 percent to 17.1 percent). The LFP rates for females ages 16–19 had a similar steep decline to that of the rates for males these ages, while the rate for females ages 20–24 initially increased through the late 1990s before declining through 2019, although the decrease for females these ages was not as large as that for the males.

However, many of the female age groups saw increases in their LFP rates in 2018 and 2019 before sharp declines in 2020. In particular, the rates increased for those ages 25–54 in 2018 and 2019, and they increased in 2018 for those ages 16–19 and 55–64. Again, the 25–34 age group had the largest decline in 2020 at 2.8 percentage points, above that of males of those ages, and the decrease of 2.4 percentage points for those ages 35–44 was also larger than the decrease for the males of these ages. The declines for those ages 45–54 were similar across genders. The rate for females ages 16–19 actually increased in 2020, compared with only the 0.1 percentage point decline for males.

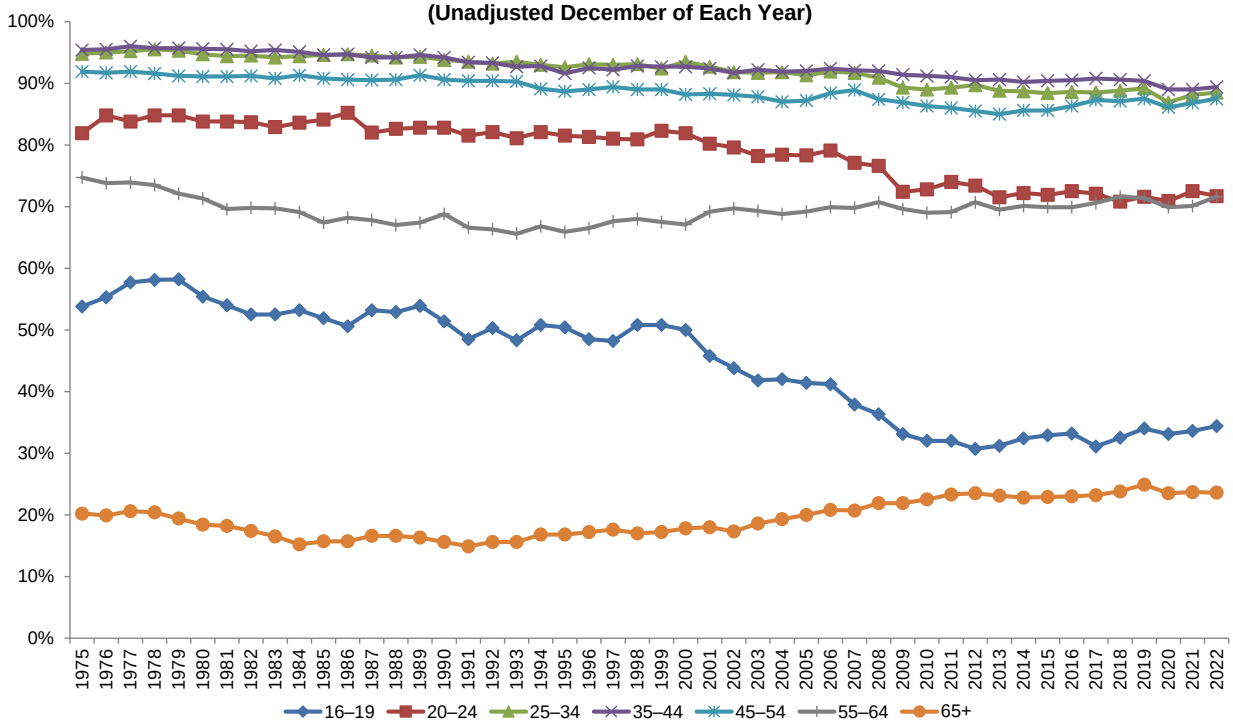
The post-2020 trends in the LFP rates by age and gender followed the same patterns as the overall trends by age after 2020, except for the drop in the LFP rate for females ages 25–34 in 2022. As a result, the rates for males ages 20 or older remained above the rates for the comparably aged females. For example, the LFP rate for females ages 55–64

increased from 41.3 percent in 1975 to 59.6 percent in 2022, while the rate for males ages 55–64 was 71.6 percent in 2022, which was down from 74.7 percent in 1975.

Figure 8

Civilian Male U.S. Labor Force Participation Rates for Those Ages 16 or Older, by Age, 1975–2022

(Unadjusted December of Each Year)

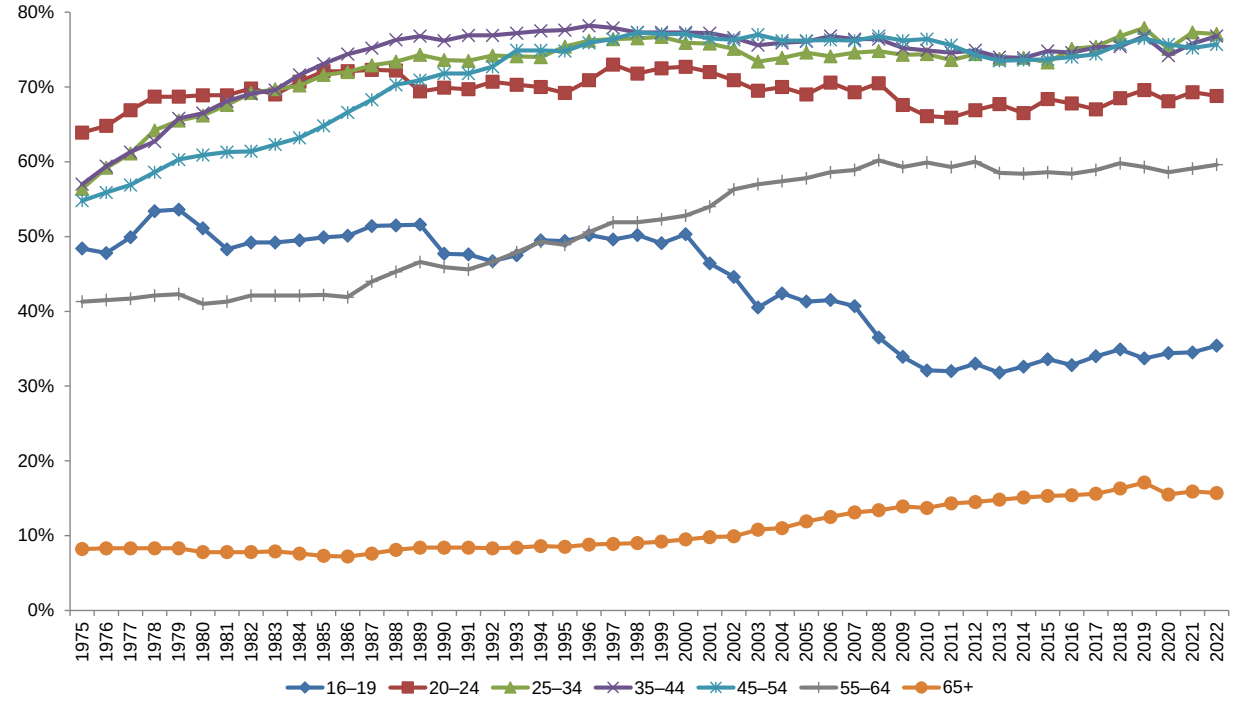


Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 9

Civilian Female U.S. Labor Force Participation Rates for Those Ages 16 or Older, by Age, 1975–2022

(Unadjusted December of Each Year)



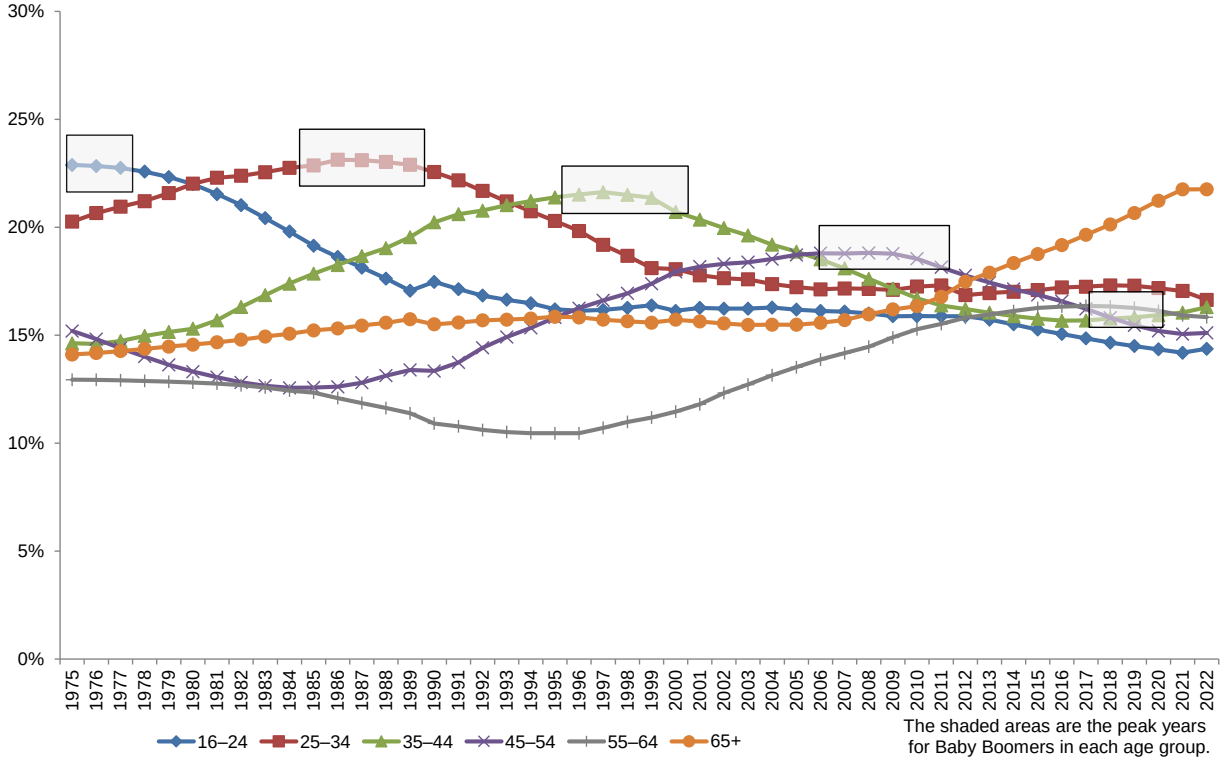
Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Age and Gender Composition of the Population Ages 16 or Older

The Baby Boom generation wave — created as the generation has moved into and out of the various ages — can easily be seen by looking at the distribution of the American population by age over the 1975–2022 period. In 1975, the largest share of the population ages 16 or older was those ages 16–24, at 22.9 percent (Figure 10). By 1986, those ages 25–34 had the largest share of the population, at 23.1 percent. The continued movement of the Baby Boom generation into the next ages can be seen in 1997, when those ages 35–44 had the largest share of the population at 21.6 percent, and again in 2008, when those ages 45–54 had the largest share at 18.8 percent. Similarly, by 2022, those ages 55–64 were nearly equal to the largest share of American population *under age 65,* with those ages 25–34 and 35–44 larger by only a small margin, after being the smallest share of population from 1985–2012. However, the share of those ages 16–19 and 35–54 increased in 2022, while the share of those ages 55 or older declined. Despite the 2022 decline, the share of the total population represented by those ages 65 or older remains the largest share by far.

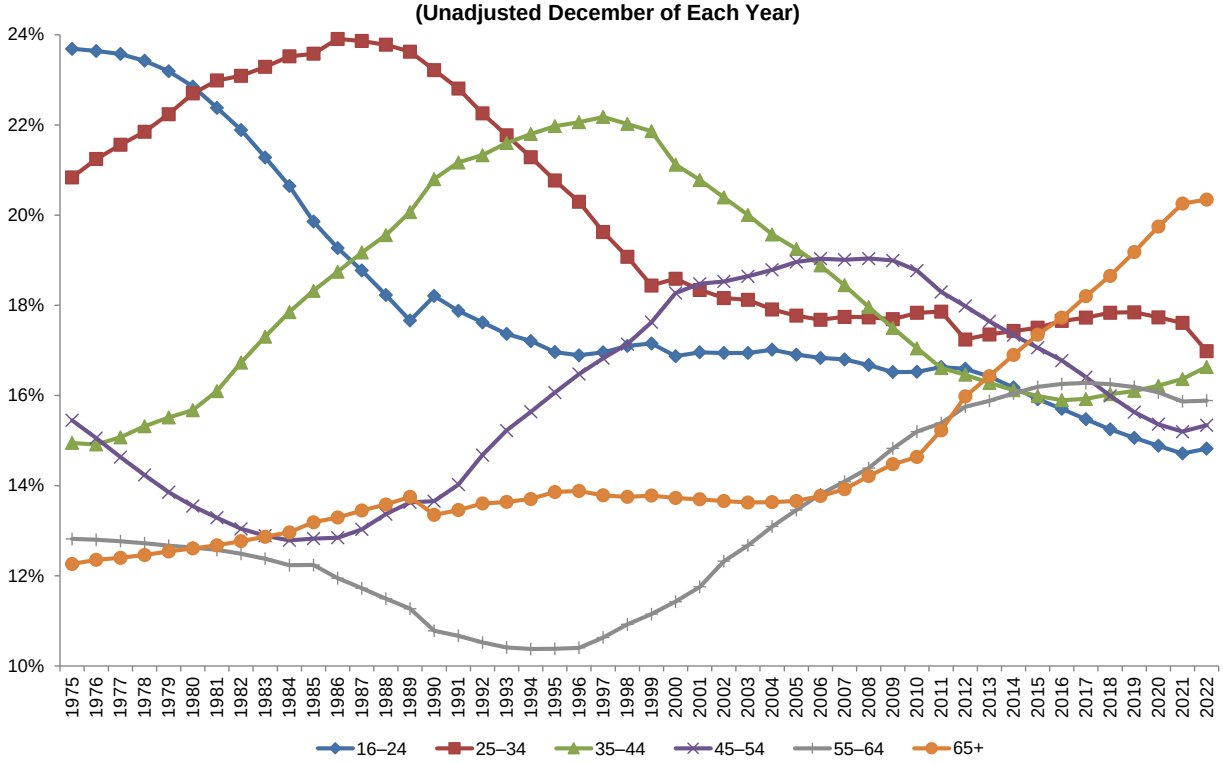
Examining by age and gender within the population ages 16 or older reveals a slower growth in the percentage of older adults for males than for females (Figures 11 and 12). Both the male and female populations showed peaks consistent with the overall movement of the Baby Boom generation as it has moved through various ages. However, in 2017 continuing through 2022, the share of the male population ages 16 or older who were ages 65 or older made up the largest share of the male population for the first time, whereas females ages 65 or older have made up the largest share of the female population since 2011, and there were significantly more women of these ages than of any other ages. Furthermore, those ages 55–64 had the fourth-largest share of the male population in 2020 but the third-largest share of the female population. The two smallest shares of both the male and female populations were those ages 16–24 and those ages 45–54. In 2022, the shares of the oldest (55 or over) leveled off for males and dropped significantly for females, while the shares of those ages 35–44 rose for both males and females.

Figure 10
Distribution of the Civilian Noninstitutionalized U.S. Population for Those Ages 16 or Older, by Age, 1975–2022



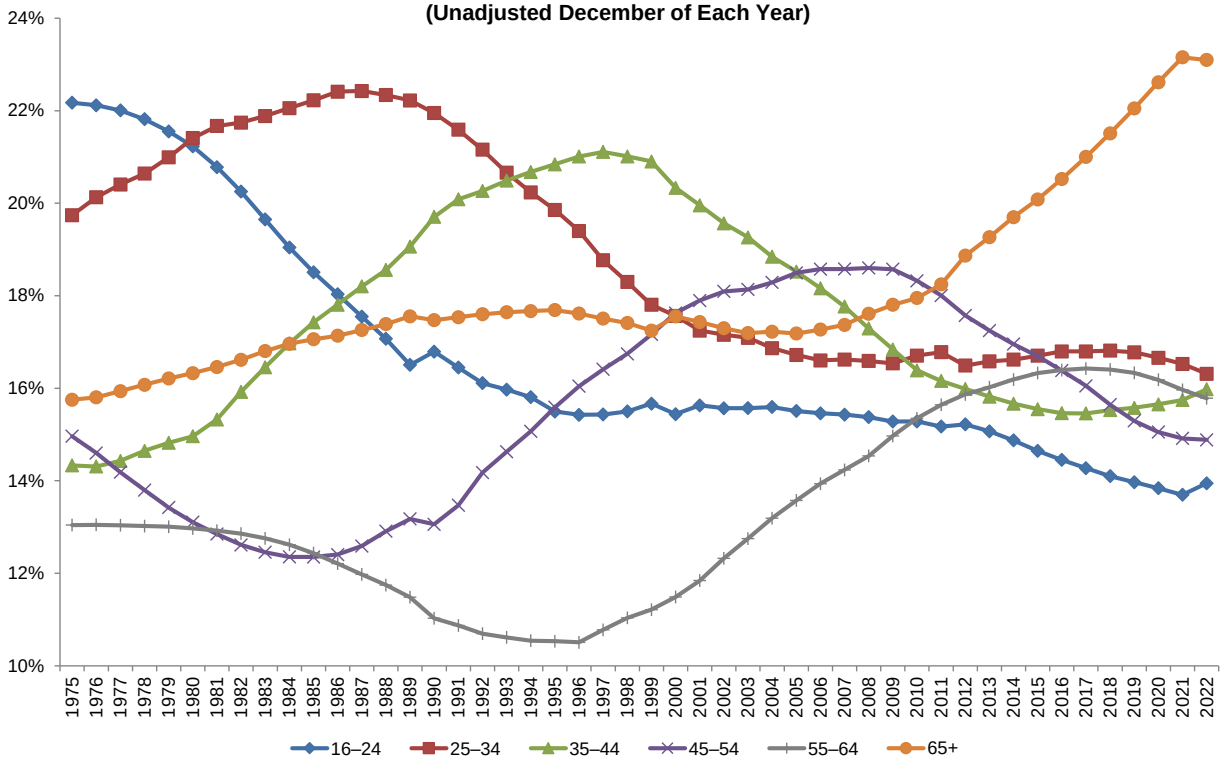
Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 11
Distribution of the Noninstitutionalized Male U.S. Population for Those Ages 16 or Older, by Age, 1975–2022
(Unadjusted December of Each Year)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 12
Distribution of the Noninstitutionalized Female U.S. Population for Those Ages 16 or Older, by Age, 1975–2022
(Unadjusted December of Each Year)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Age and Gender Composition of the Labor Force Ages 16 or Older

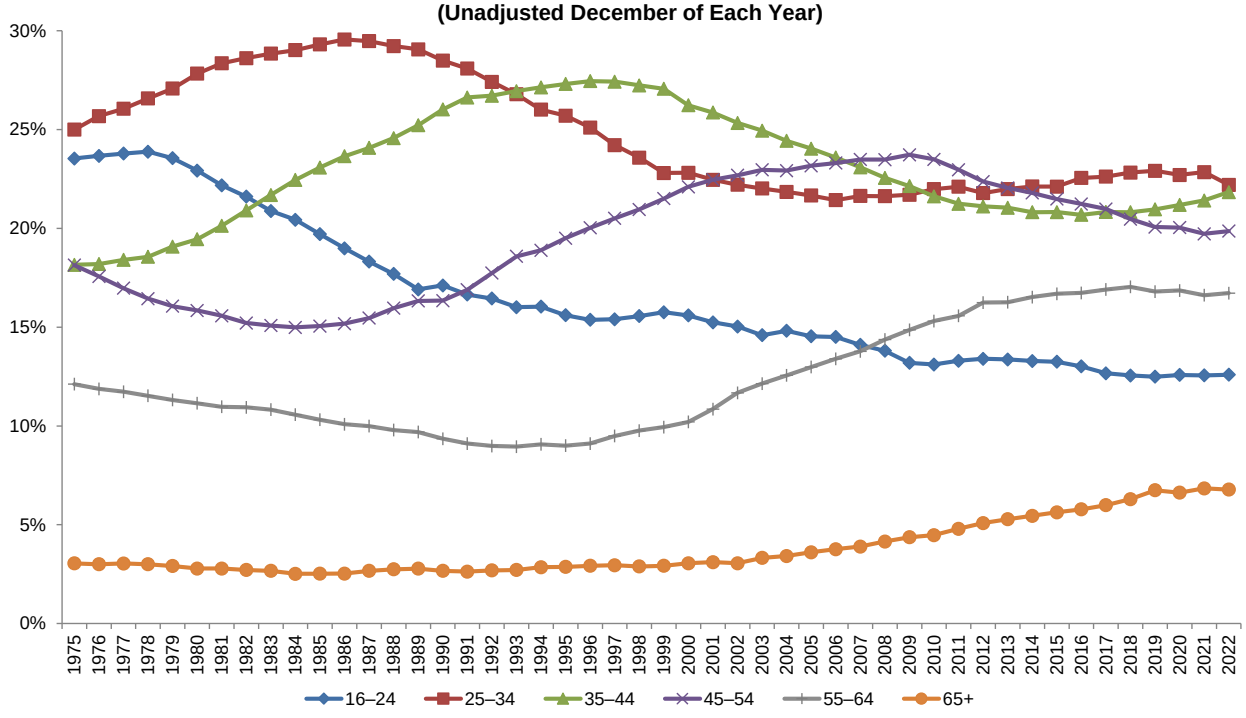
Comparing the composition of the population to the composition of the labor force by age initially shows that, while the labor force ages 16 or older has a much greater share of younger people than the total population ages 16 or older (Figures 10 and 13), the portion of those in the labor force ages 16 or older who are ages 55 or older was at the highest point in 2020 and maintained that highest level in 2022 during the 1975–2022 period.

In 1975, the percentage of those in the labor force who were ages 55 or older was 15.1 percent (summing those ages 55–64 with those ages 65 or older), compared with 23.5 percent in 2022. However, this percentage fell from 1975 until 1993, reaching a low of 11.7 percent before increasing to double its lowest point in 2022.

At the same time, as late as 1981, over 50 percent of the labor force was under age 35. Yet, due to the dramatic decline in the share of the labor force ages 16 or older represented by workers ages 16–24 (23.9 percent in 1978 to 13.1 percent in 2010, before reaching 12.6 percent in 2020), the percentage of the labor force ages 16–24 and 25–34 (combined) had fallen to between nearly 35.0 and 36.0 percent during the period from 2012–2020.

Consistent with the total population observations, one can also see the Baby Boom generation moving through the various ages of the labor force over the 1975–2022 period as each successive age bracket reaches a peak then falls, with the oldest age cohorts (ages 55–64 and ages 65 or older) still increasing in 2018 before tapering off in 2019 and 2020. However, the shares of the total labor force represented by the youngest ages are beginning to stabilize or increase, so as the Baby Boom generation continues to age and move out of the labor force, the share of the total labor force represented by workers younger than 55 is expected to grow.

Figure 13
Distribution of the U.S. Civilian Labor Force for Those Ages 16 or Older, by Age, 1975–2022
(Unadjusted December of Each Year)



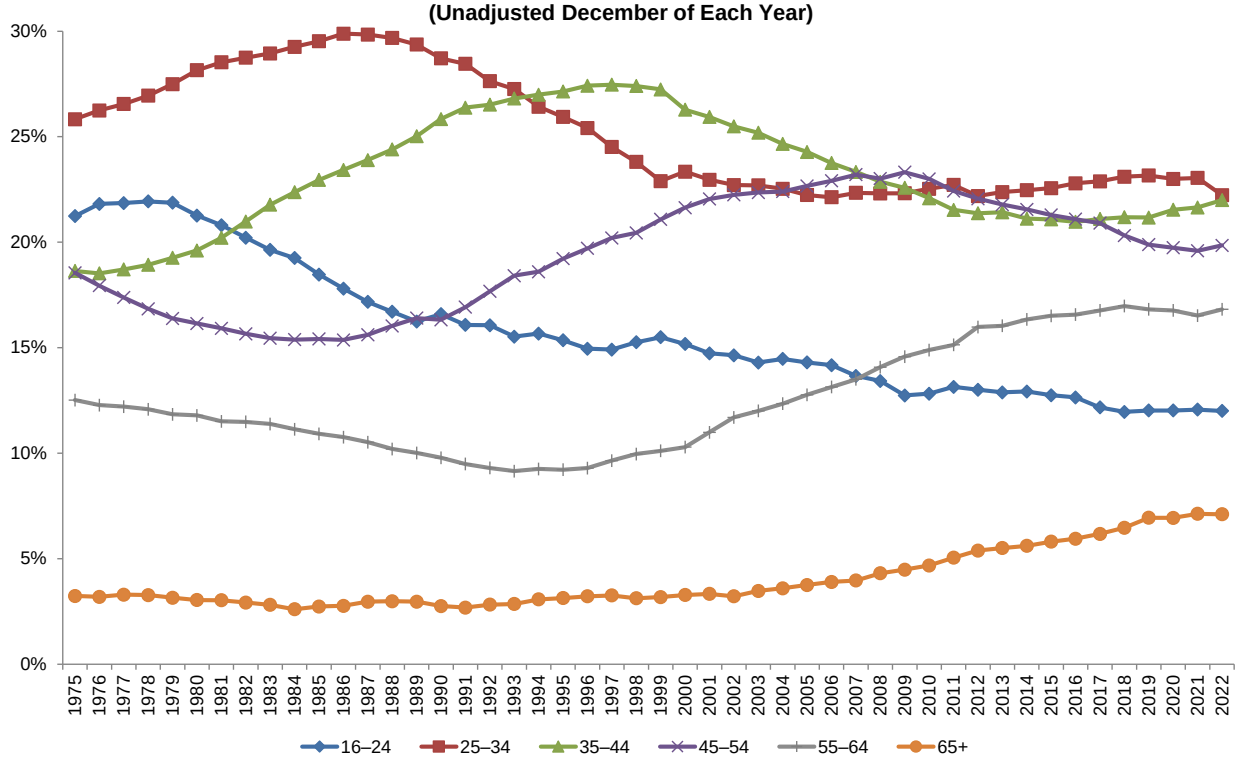
Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

The trends for males and females across various ages are very similar to the overall trends, except that the largest share of the female labor force in the late 1970s was those ages 16–24 (Figures 14 and 15). However, by 2022, the age distributions of the male and female labor forces were much closer. For example, the share of males in the labor force ages 55 or older in 2022 was 23.9 percent, while the share of females was 23.0 percent. Furthermore, 34.2 percent of the male labor force was under age 35 in 2020, compared with 35.4 percent for females.

Figure 14

Distribution of the U.S. Civilian Male Labor Force for Those Ages 16 or Older, by Age, 1975–2022

(Unadjusted December of Each Year)

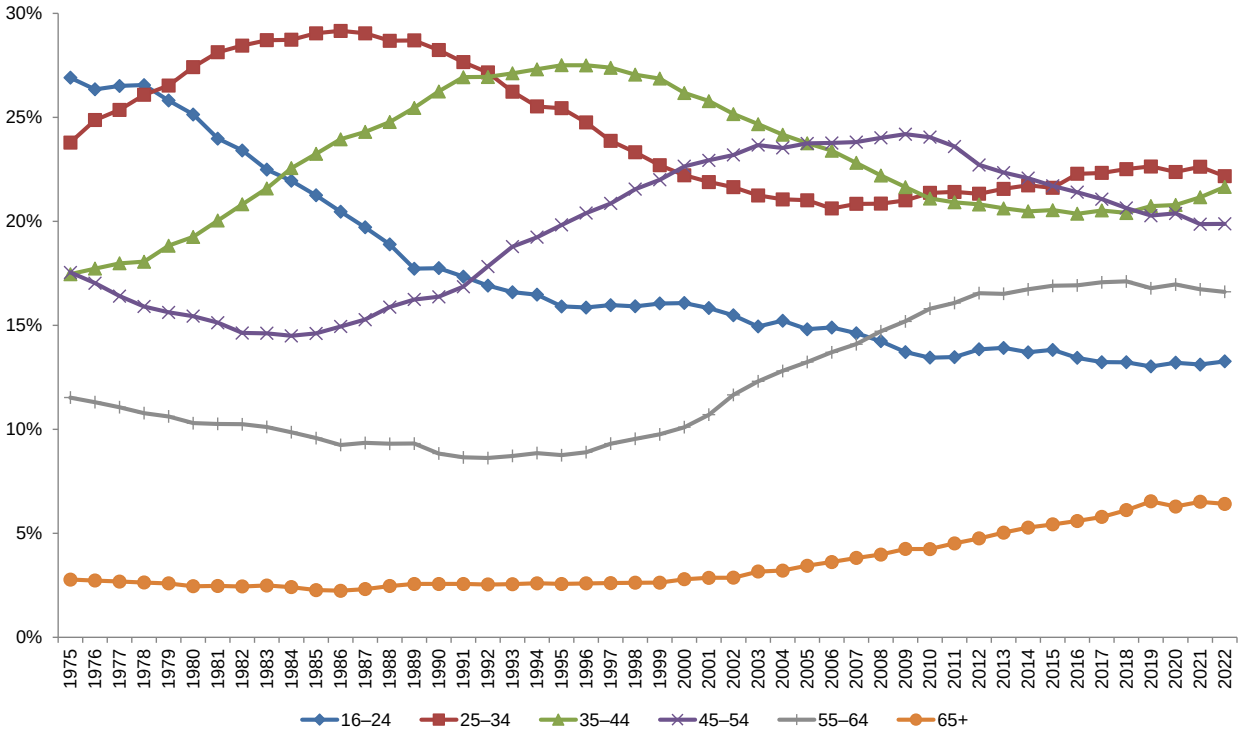


Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 15

Distribution of the U.S. Civilian Female Labor Force for Those Ages 16 or Older, by Age, 1975–2022

(Unadjusted December of Each Year)

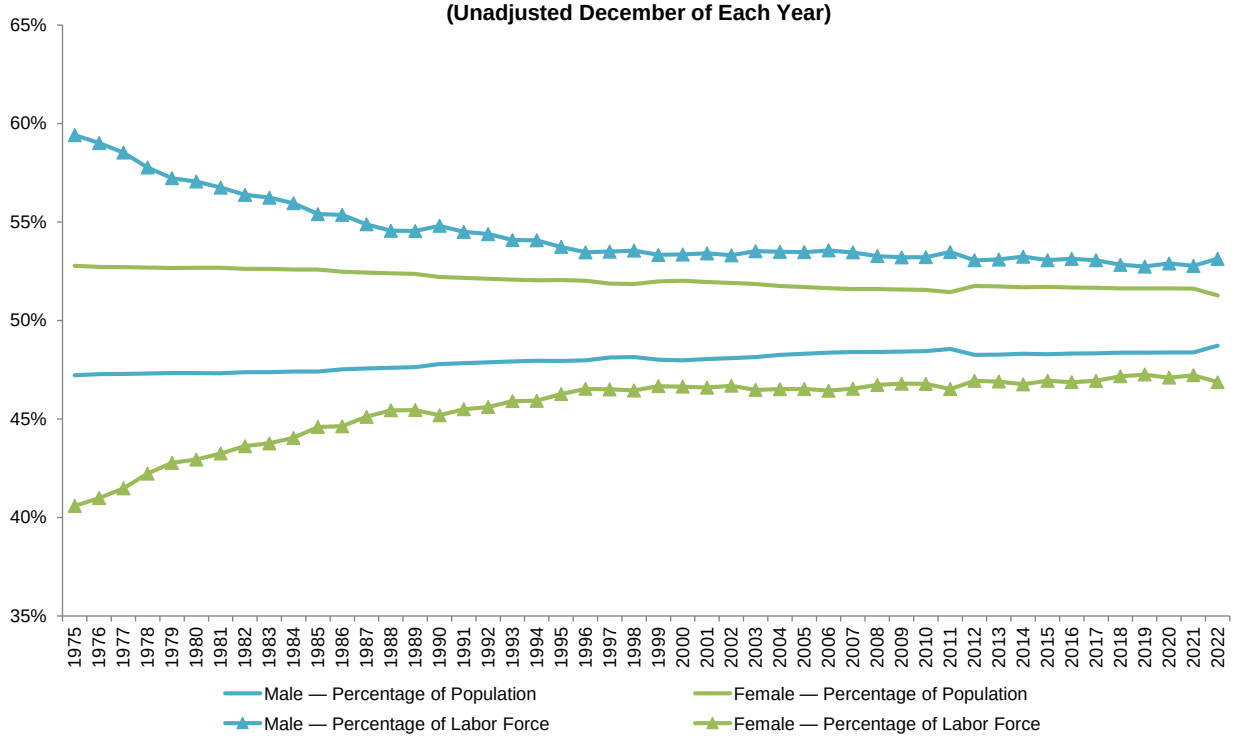


Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Age and Gender Composition of the Population and Labor Force Ages 16 or Older

The same general trends across the population and labor force ages 16 or older can be seen when examined by age and gender. As Figure 16 shows, the American population has moved closer to a 50-50 split between the genders (males 47.2 percent vs. females 52.8 percent in 1975, to males 48.4 percent vs. females 51.6 percent in 2021). Likewise, the share of the labor force that is male vs. female has also converged over this same period (Figure 16). The male share of the labor force ages 16 or older was 59.4 percent in 1975, and the female share was 40.6 percent in 1975. In 2021, males made up 52.8 percent of the labor force while females made up 47.3 percent. However, the percentages of males in both the labor force and the population accelerated upward in 2022, increasing to 53.1 percent and 48.7 percent, respectively.

Figure 16
Distribution of the Civilian U.S. Noninstitutionalized Population and Labor Force for Those Ages 16 or Older, by Gender, 1975–2022
(Unadjusted December of Each Year)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

The percentage of those in the population who were female at each age was larger than the comparable percentages for males, except for those ages 16–24, where the female and male percentages were the same in 2022 (Figure 17). Notably, the overall population of males ages 65 or older was significantly smaller than the comparable female population.

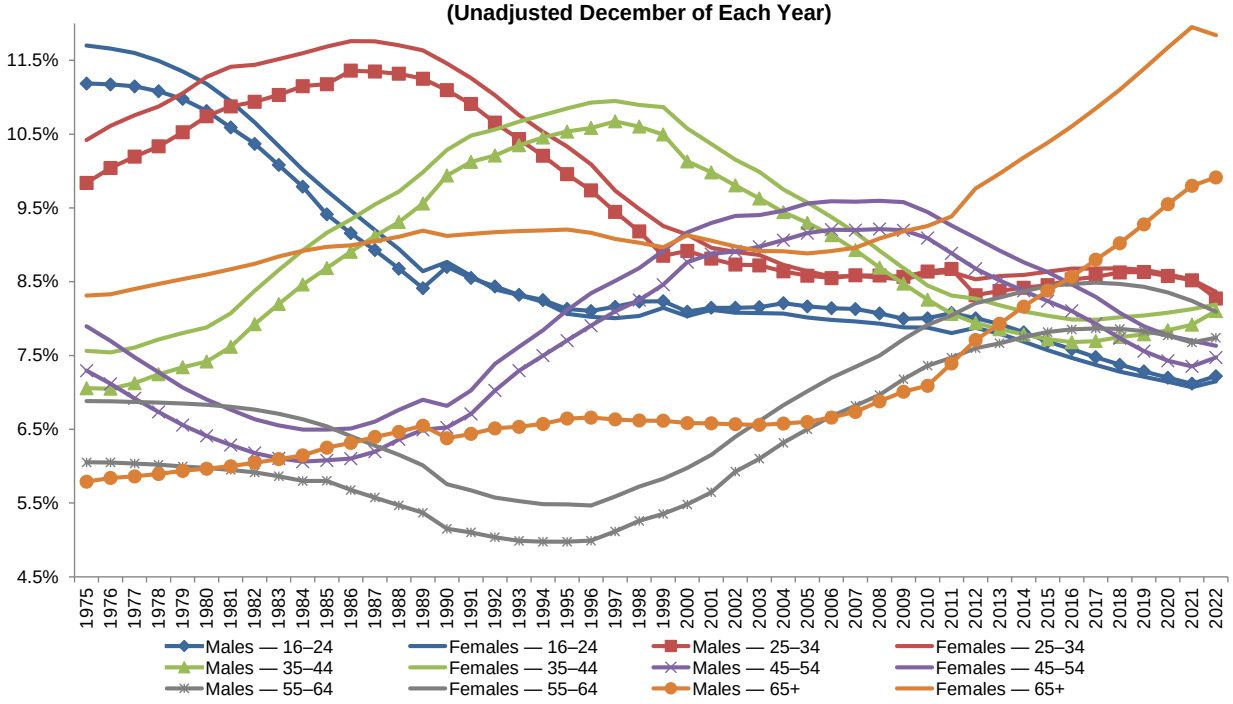
The Baby Boom generation wave across the population ages groups was also reflected across ages and genders. The share of the total male and female population represented by those ages 65 or older sharply increased after 2005, where it will likely continue to increase due to the remainder of the Baby Boom generation moving into these ages and the increased longevity of Americans already these ages.

In contrast to the overall population, the share of the labor force represented by the male age groups was larger than the share represented by the female age groups across all of the age groups (Figure 18). The difference between the male and female age groups narrowed during the 1975–2022 period, but the higher male shares persisted.

From 1975–1993, males ages 25–34 made up the highest share of the labor force before giving way to the males ages 35–44. In 2011, males ages 25–34 regained their position as the largest share of the labor force, where they have

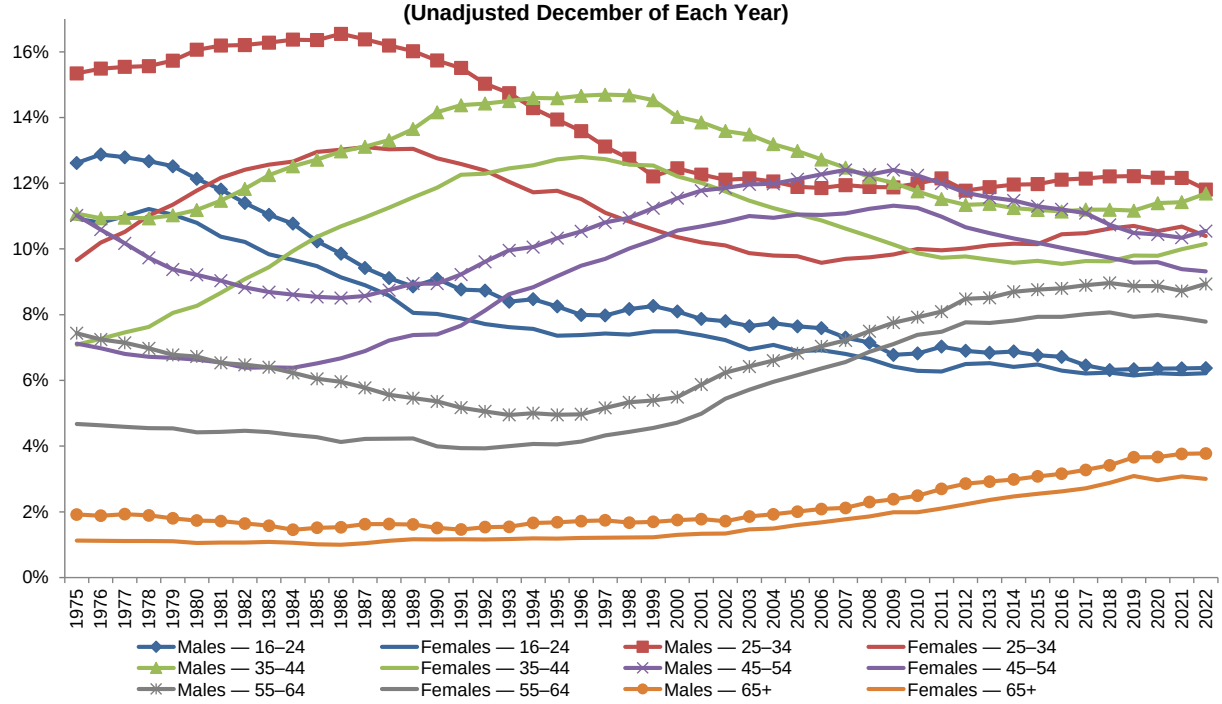
stayed through 2022. Yet, the share of the labor force represented by males ages 25–34 was much lower than before 1994 due to the much higher share represented by females ages 45–64.

Figure 17
Distribution of the Noninstitutionalized U.S. Population for Those Ages 16 or Older, by Age and Gender, 1975–2022
(Unadjusted December of Each Year)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 18
Distribution of the U.S. Civilian Labor Force for Those Ages 16 or Older, by Age and Gender, 1975–2022
(Unadjusted December of Each Year)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

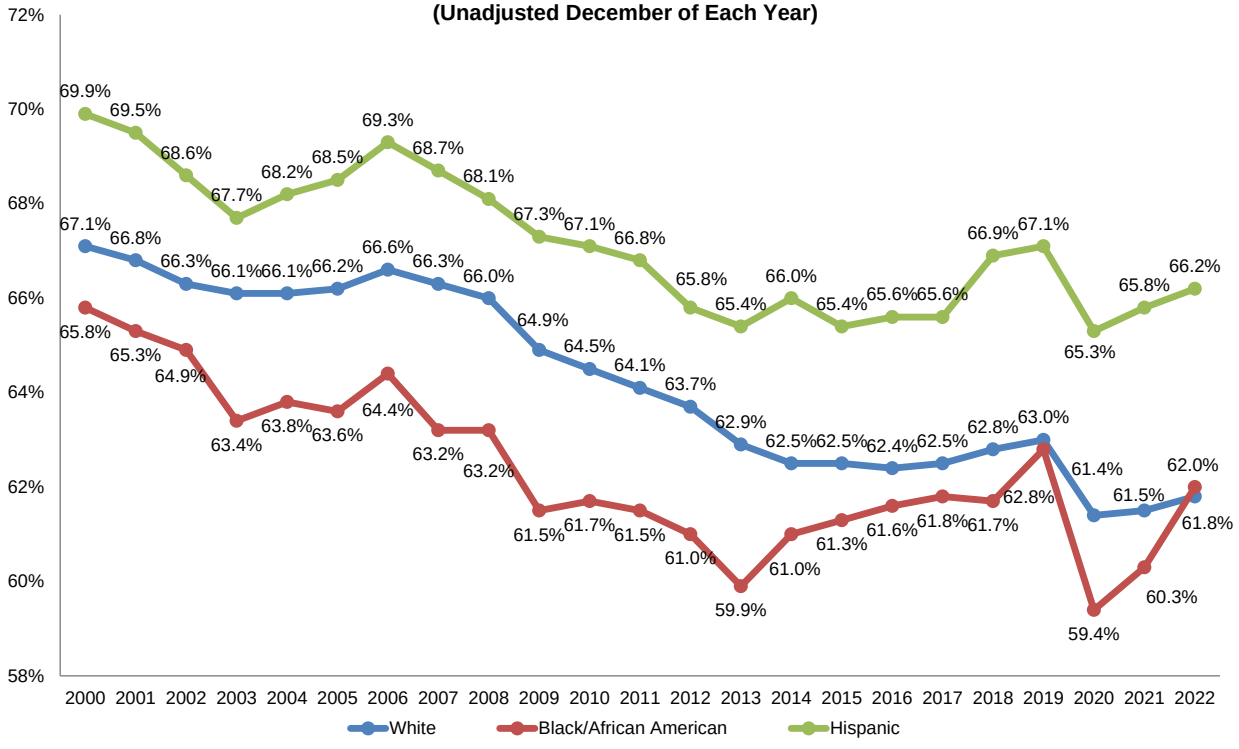
Labor Force Participation of Those Ages 16 or Older, by Race/Ethnicity

A demographic characteristic that has seen much more focus lately is race/ethnicity.[8] Starting in 2000, the LFP rates of those 16 or older were generally declining until 2013 or 2014 for each race/ethnicity examined before they started to increase through 2019 and then experienced a significant drop in 2020 (Figure 19). The LFP rates rebounded in both 2021 and 2022 for each race/ethnicity, with Black Americans' rate increasing the most and White Americans' rate increasing the least. The LFP rate of Hispanic Americans ages 16 or older was the highest in each year, and the Black American rate was the lowest but had almost closed the gap with White Americans in 2019 and did so in 2022.

Breaking the LFP rates out by gender shows that the rates of males of each race/ethnicity are higher than those of females and follow the same order of highest to lowest by race/ethnicity as that of the overall order (Figure 20). The males trended downward from 2000–2019 before the big drop in 2020. For example, the Hispanic American male rate was 81.3 percent in 2000, and it was 75.8 percent by 2019 before falling to 74.6 percent in 2020. The Black American male rate fell the most in 2020, at 2.9 percentage points. By 2022, the order by race/ethnicity remained the same, but the LFP rate of Black males had surpassed its 2019 level (65.2 percent vs. 64.8 percent). In contrast, the White male LFP rate barely moved from its 2020 level by 2022, and the male Hispanic rate in 2022 was slightly below its 2020 level.

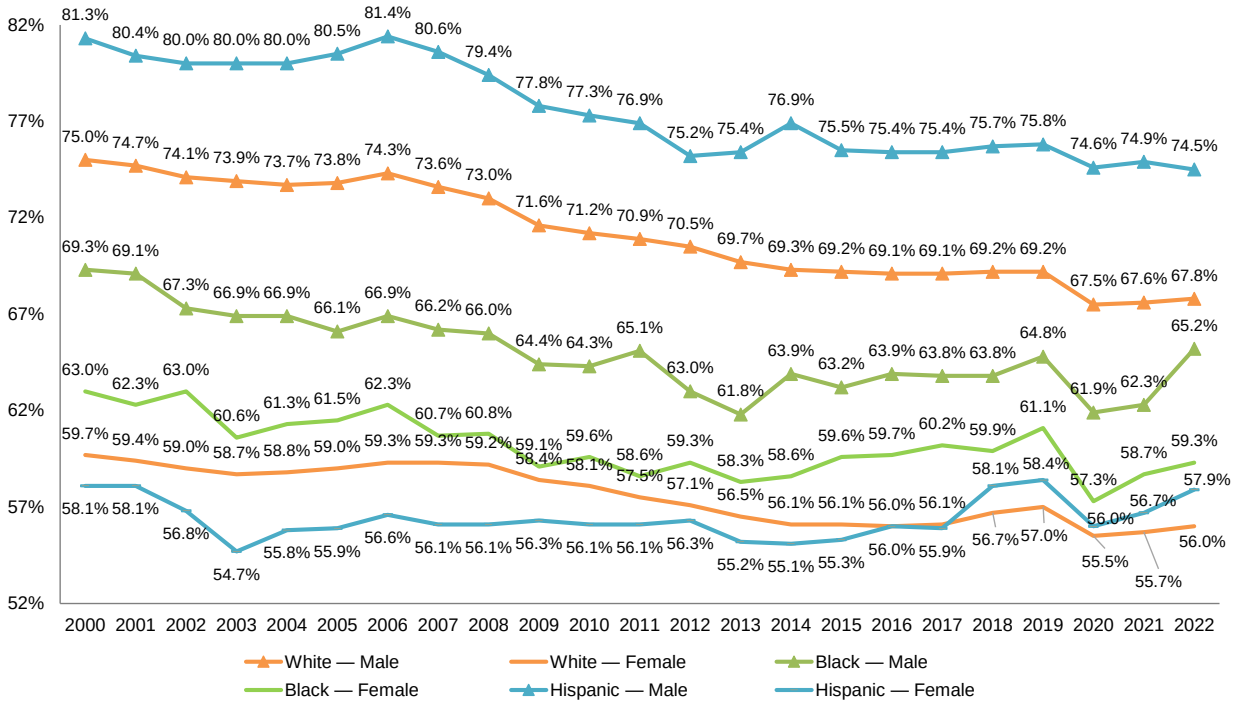
The female trends were much flatter and even increased for Hispanic American females through 2019. Until 2018, the order of the LFP rates for females was the reverse of that for males, as Black American females had the highest rate for the females in each year, followed by White females and then Hispanic females. In 2018, the Hispanic American female rate moved above the White American female rate. After the significant drop in 2020 — which was largest for Black American females — the participation rates stood at 57.3 percent for Black American females, 56.0 percent for Hispanic American females, and 55.5 percent for White American females, compared with 63.0 percent, 58.1 percent, and 59.7 percent, respectively, in 2000. In 2021 and 2022, the LFP rates of Black females and Hispanic females rebounded back but were still below their 2019 rates, while the White female rate had barely moved by 2022.

Figure 19
Civilian U.S. Labor Force Participation Rates for Those Ages 16 or Older, by Race/Ethnicity, 2000–2022
(Unadjusted December of Each Year)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 20
Civilian U.S. Labor Force Participation Rates for Those Ages 16 or Older, by Gender and Race/Ethnicity, 2000–2022
(Unadjusted December of Each Year)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Impact of the Pandemic

With the substantial impact of the COVID-19 pandemic on employment, what happened to the labor force during 2020 relative to just before the pandemic in 2019 provides important insights into who was most affected. Furthermore, examining the labor force in 2021 and 2022 can show where there is a more lasting impact or where there has been a recovery. In addition to the LFP rate, this section examines the employment population ratio, i.e., the percentage of those in the specified population who are actually employed. This relates to the labor force participation rate by controlling for the unemployed, as the labor force includes anyone working or seeking employment, whereas the employment population ratio only looks at the percentage employed. Thus, the labor force could stay the same, while the employment population could go up and down depending on those in the labor force who are actually employed vs. those seeking employment.

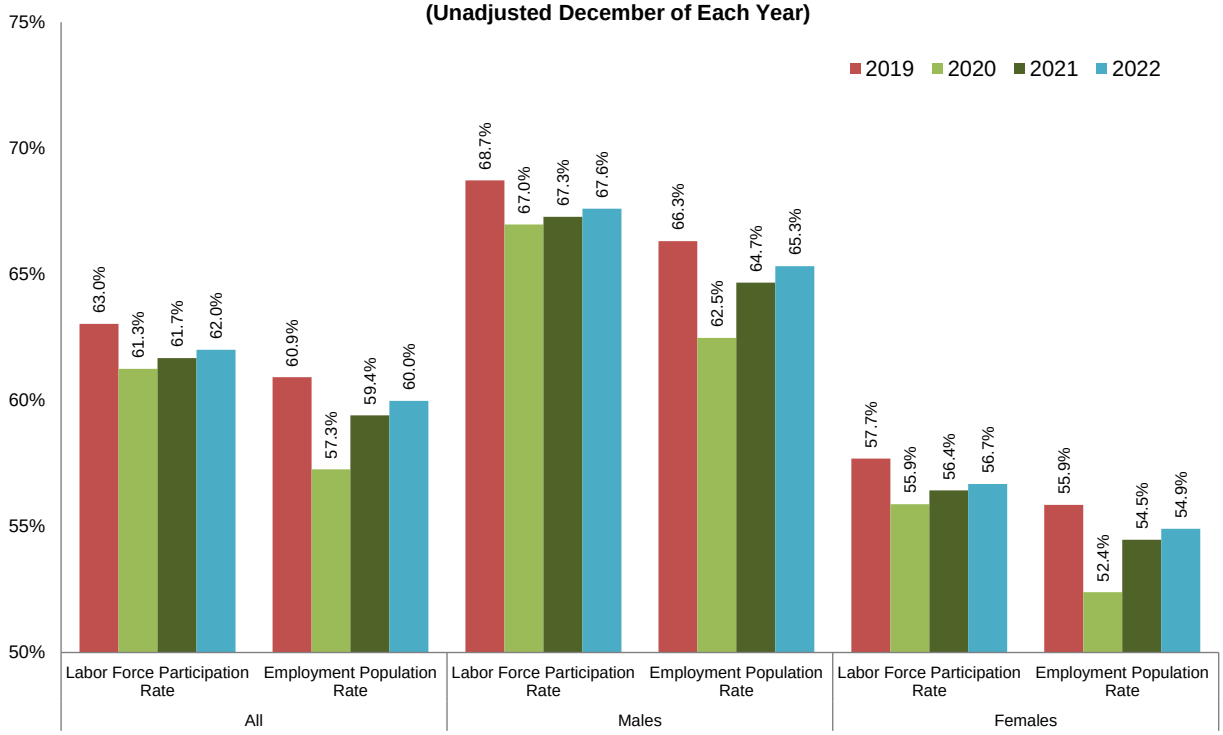
In 2020, the LFP rate of the civilian U.S. noninstitutionalized population ages 16 or older was 61.3 percent, compared with 63.0 percent in 2019 (Figure 21). By 2022, this number had rebounded to 62.0 percent. The employment population ratio was lower at 57.3 percent in 2020 and 60.9 percent in 2019. The difference between the LFP rate and the employment population ratio increased from 2.1 percentage points in 2019 to 4.0 percentage points in 2020, but by 2022, this difference had narrowed 2.0 percentage points after the employment ratio increased to 62.0 percent in 2022.

The male LFP rate and employment rate were higher in each year than the female rates, as has been the trend shown previously. The male employment rate dropped from 66.3 percent in 2019 to 62.5 percent in 2020, a 3.8 percentage point decline. This compares with the 3.5 percentage point decline for females in 2020 (55.9 percent to 52.4 percent). However, looking at them in terms of percentage reduction, the female decrease was larger at 6.3 percent compared with 5.7 percent for males (calculated from Figure 21). In 2022, the difference in the LFP and employment rates of males and females were close to recovering, being only 1 percentage point below their 2019 levels (1.1 percentage points for the male LFP rate).

Figure 21

Labor Force Participation Rates and Employment Population Rates of the Civilian U.S. Noninstitutionalized Population for Those Ages 16 or Older, by Gender, 2019–2022

(Unadjusted December of Each Year)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Turning to race/ethnicity and LFP, in each year, the LFP rates of Hispanic Americans were the highest, with White Americans having the next highest rates and Black Americans having the lowest rates of these three groups (Figure 22).[9] In addition to having the lowest LFP rate, Black Americans had the largest decrease in their LFP rate from 2019 to 2020 at 3.4 percentage points, compared with 1.8 percentage points for Hispanic Americans and 1.6 percentage points for White Americans. By 2022, Black Americans had made the biggest recovery, as their 2022 LFP rate was only 0.8 percentage points below its 2019 level, while the other two race/ethnicity categories had differences of at least 0.9 percentage points between their 2019 and 2022 levels.

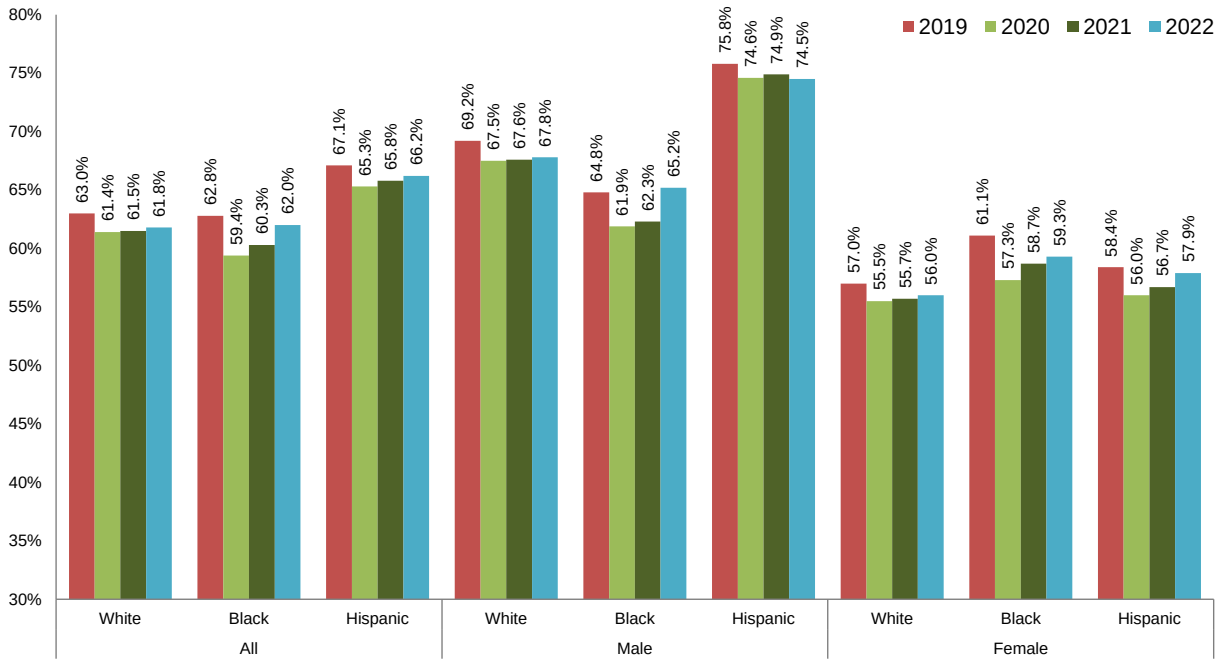
By gender, the male participation rates were higher than the female rates across each race/ethnicity. However, while the male rates followed the same order by race/ethnicity as the overall order, the Black female rate was the highest, and the White female rate was the lowest among the females. Both Black and Hispanic American females had larger percentage point declines in their LFP rates from 2019 to 2020 than did their male counterparts: 3.8 percentage points vs. 2.9 percentage points for Black Americans and 2.4 percentage points vs. 1.2 percentage points for Hispanic Americans. In contrast, the White male LFP rate declined more than the female rate — 1.7 percentage points vs. 1.5 percentage points. The LFP rates of both male and female Black and Hispanic Americans rebounded in 2021 and 2022, with the Black male LFP rate surpassing its 2019 level in 2022. In contrast, the LFP rates of White males and females were not appreciably different in 2022 compared with 2020.

The employment population ratio decreased even more than the labor force participation rate across each race/ethnicity, as the change in employment rate was affected by both the decline in labor force participation and the increase in unemployment. Black Americans had the lowest employment population ratio in 2019 and 2020 and had the largest decrease in the rate from 2019 to 2020, at 5.4 percentage points (Figure 23). The Hispanic American employment population ratio declined just less than that of Black Americans, at 5.1 percentage points. However, Hispanic Americans still retained the highest employment population ratio in 2020, despite White Americans having the lowest employment rate decrease at 3.4 percentage points. Both Hispanic and Black Americans' LFP rates moved closer to their 2019 levels in 2022 than those of White Americans, but all three were at least 0.6 percentage points below their 2019 levels in 2022.

Figure 22

Labor Force Participation Rates of the Civilian U.S. Noninstitutionalized Population for Those Ages 16 or Older, by Gender and Race/Ethnicity, 2019–2022

(Unadjusted December of Each Year)

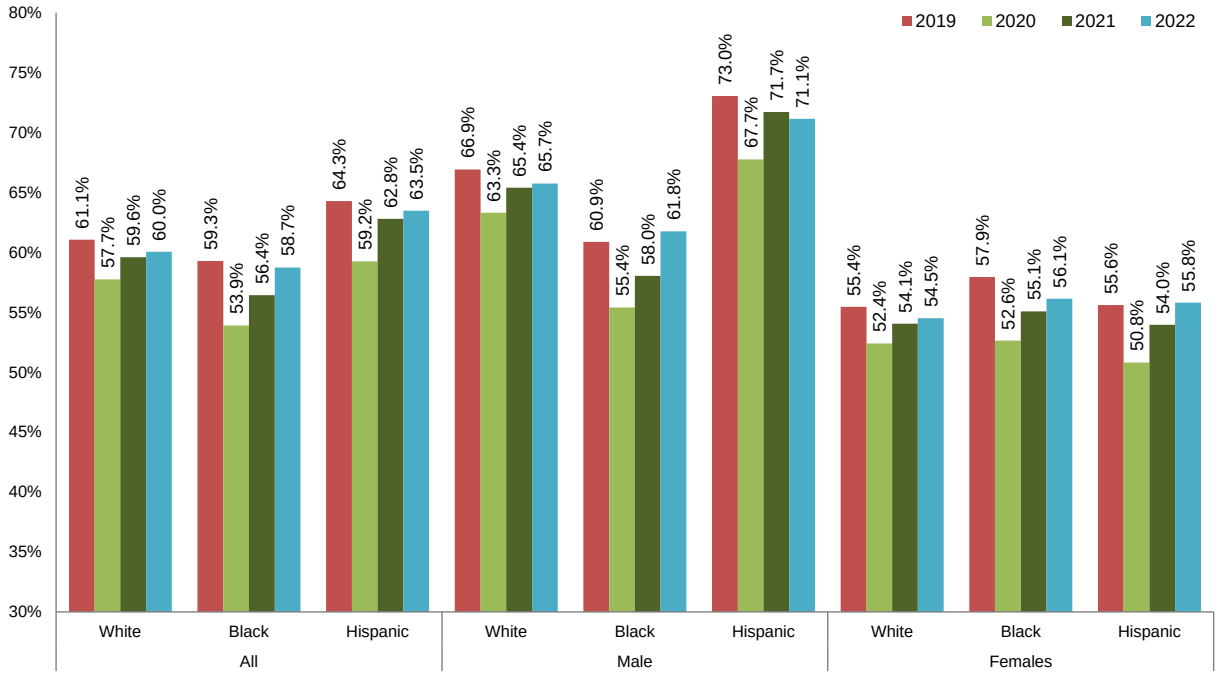


Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 23

Employment Population Rates of the Civilian U.S. Noninstitutionalized Population for Those Ages 16 or Older, by Gender, 2019–2022

(Unadjusted December of Each Year)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

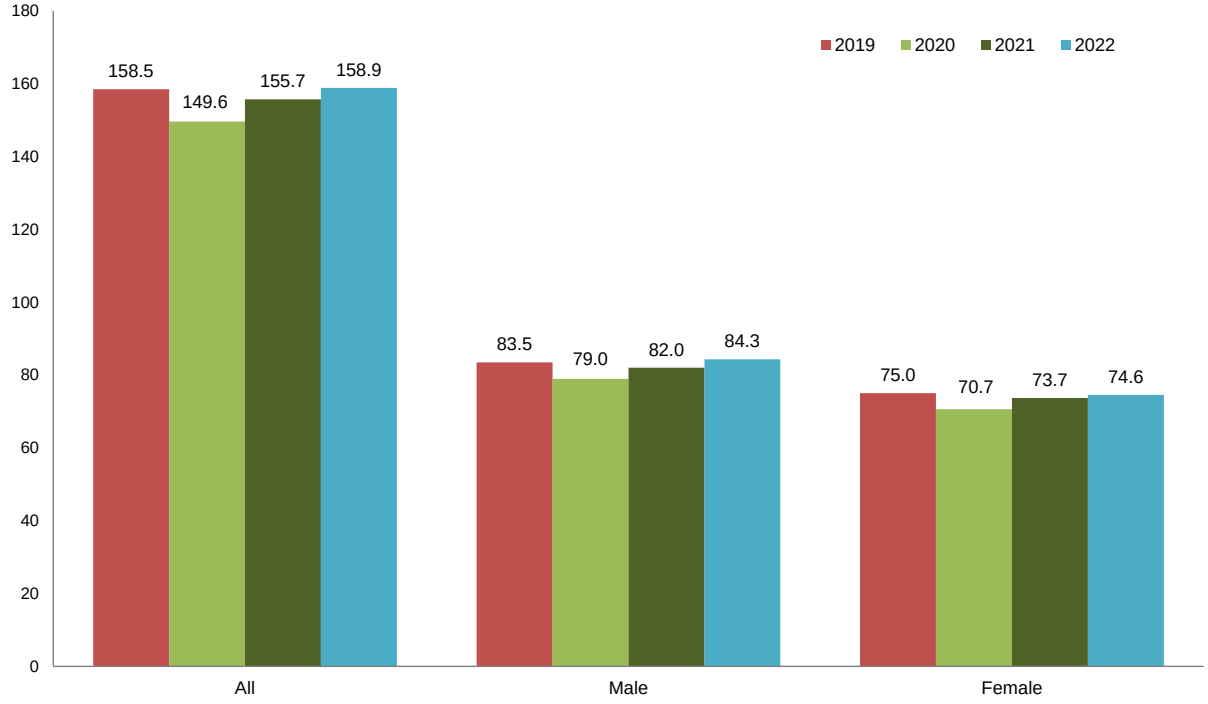
Males had higher employment population ratios than females across each race/ethnicity and larger declines in these ratios in 2020. For example, White males' employment population ratio declined 3.4 percentage points in 2020, while the White female ratio declined 3.0 percentage points. Black Americans had the largest decreases in their employment ratios — 5.5 percentage points for males and 5.3 percentage points for females. Hispanic Americans had the next highest declines, at 5.3 percentage points and 4.8 percentage points, respectively. Male Black Americans had the lowest employment population ratio among males, while female Hispanic Americans had the lowest among females.

In 2022, the male Black and female Hispanic Americans' employment rates were above their 2019 levels. In contrast, the male Hispanic Americans' rate declined in 2022. Other than this decline among the male Hispanic Americans, the employment rates of both Black males and females and female Hispanic Americans increased noticeably in 2022, whereas the rates of both male and female White Americans did not budge in 2022 from their 2021 levels.

In terms of numbers, 8.9 million fewer Americans were employed in December 2020 compared with December 2019 — 158.5 million vs. 149.6 million (Figure 24). However, the number employed reached 158.9 million in 2022, surpassing the 2019 number. Yet, if the employment population ratio from 2019 had been maintained in 2022, 161.3 million Americans would have been employed, translating into 2.5 million fewer working Americans, which is a smaller shortfall than the 9.5 million fewer working in 2020 compared with the number who would have been working if the 2019 employment rate had held in 2020. This reduction in the number of those with jobs was roughly evenly split between males and females — about 1.3 million fewer each for male and female workers.

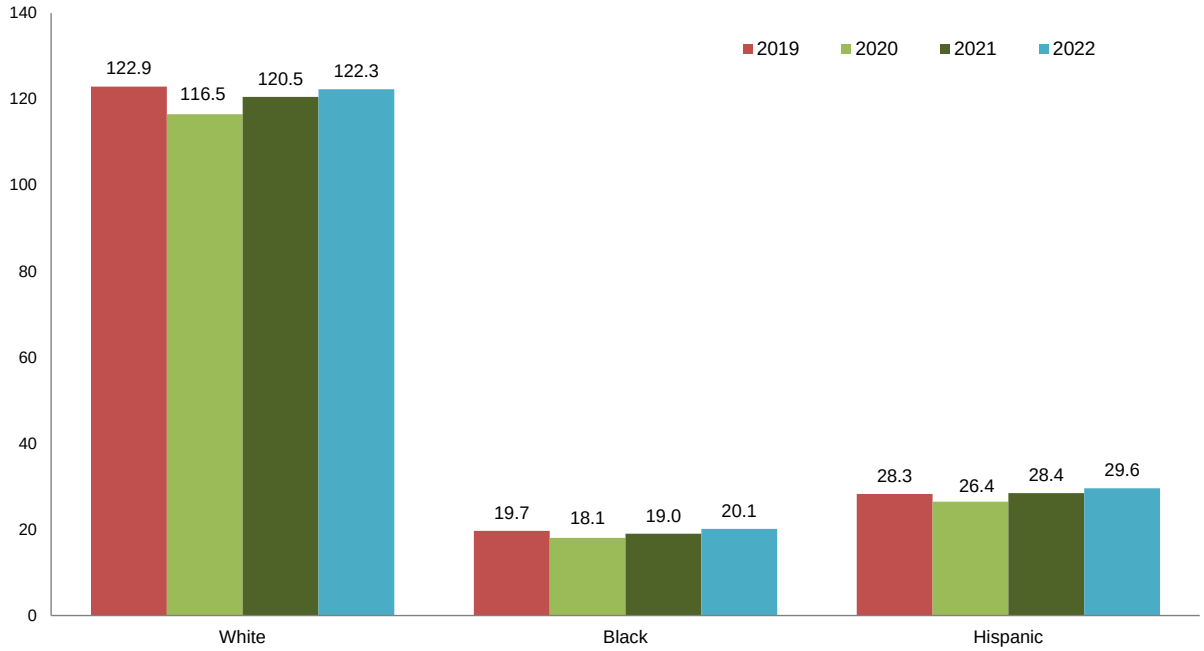
After the number employed decreased for each race/ethnicity in 2020 vs. 2019, the numbers of employed Black and Hispanic Americans in 2022 surpassed their 2019 levels (Figure 25). In contrast, the number of White Americans employed remained below the 2019 number employed, albeit much closer to it — only 0.6 million less in 2022 compared with 6.4 million less in 2020.

Figure 24
Number of Employed U.S. Civilian Workers, by Gender, 2019–2022
(Unadjusted December of Each Year in Millions)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 25
Number of Employed U.S. Civilian Workers, by Race/Ethnicity, 2019–2022
(Unadjusted December of Each Year in Millions)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

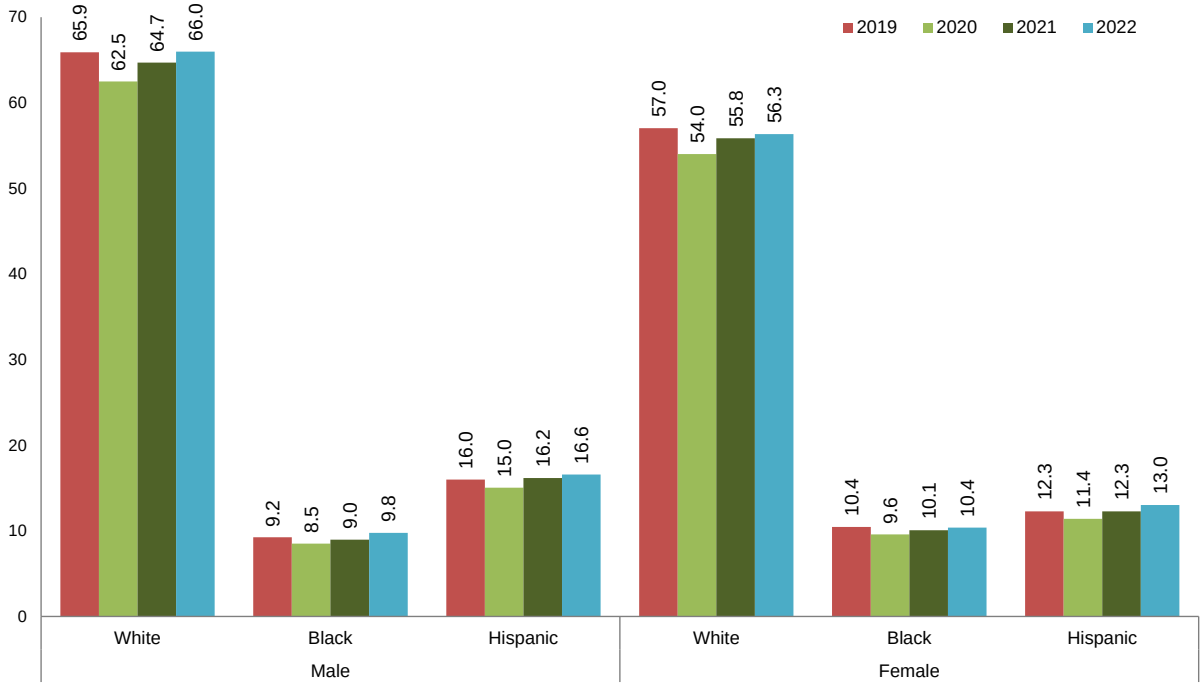
The number employed decreased in 2020 across each gender and race/ethnicity category (Figure 26). The largest declines, albeit with the highest number of workers to start, were the 3.2 million fewer male White Americans employed in 2020 compared with 2019 and the 3.0 million fewer White female Americans who were employed in 2020. Black male Americans had the largest percentage decline in those employed at 8.6 percent, and Black female Americans had the second-largest decline at 7.7 percent. However, by 2022, only female White Americans had a lower number of those employed relative to 2019 — 0.7 million less. Female Black Americans did have the same number employed in 2022 and 2019, while the other groups all had larger numbers employed in 2022 than in 2019.

Instead of losing a job, workers could have had their hours cut, moving from full time to part time. However, the percentage of those employed working full time remained relatively steady from 82.7 percent in 2019 to 83.0 percent in 2022 (Figure 27). In fact, the share of Black workers working full time trended upward, from 84.2 percent in 2019 to 86.0 percent in 2022.

When breaking the race/ethnicity categories down by gender, White males and females and Hispanic males had a relatively constant share working full time in 2019 and 2022 (Figure 28). In contrast, both Black males and females were more likely to be working full time in 2022, while Hispanic females were less likely to be working full time in 2022.

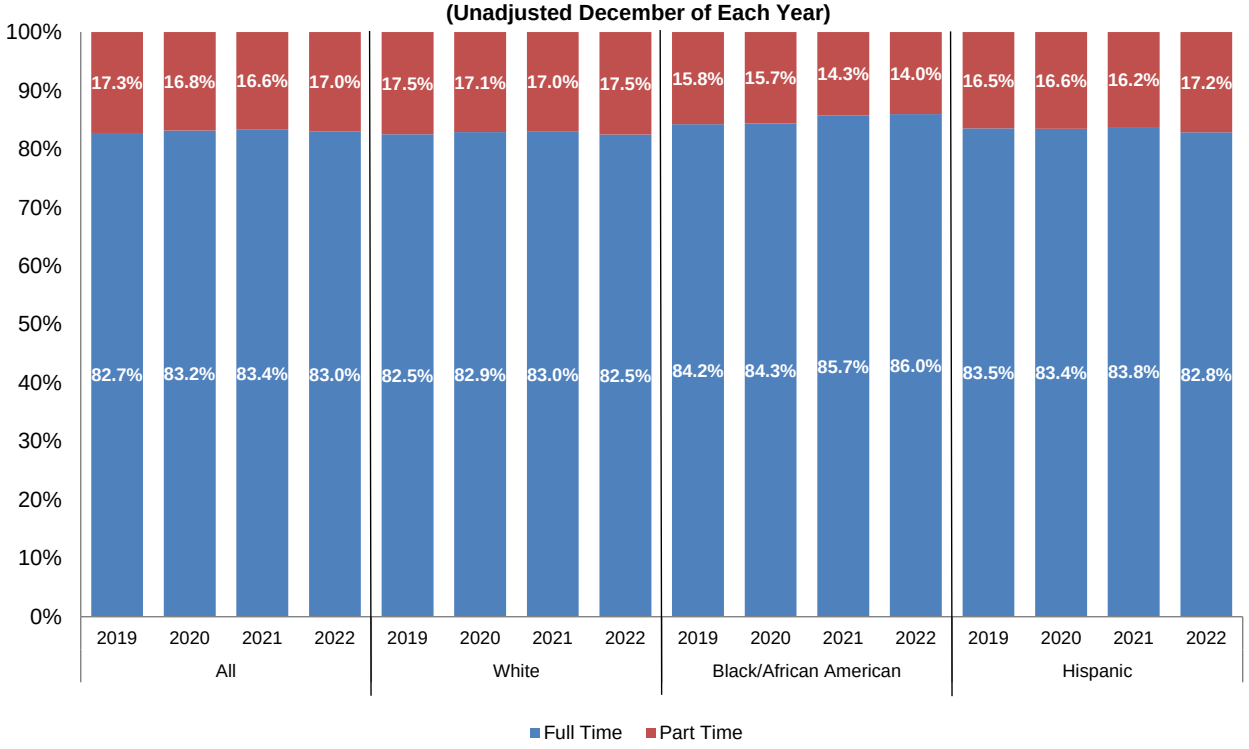
Despite all the changes from 2020–2022, the male/female distribution of the labor force did not change in any significant manner from 2019 (Figure 29). If any change occurred, it was a very slight decrease in the share of females in the labor force — 47.3 percent in 2019 vs. 46.9 percent in 2022.

Figure 26
Number of Employed U.S. Civilian Workers, by Gender and Race/Ethnicity, 2019–2022
(Unadjusted December of Each Year in Millions)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 27
Employed Full-Time Worker Share vs. Part-Time Worker Share, by Race/Ethnicity, 2019–2022
(Unadjusted December of Each Year)

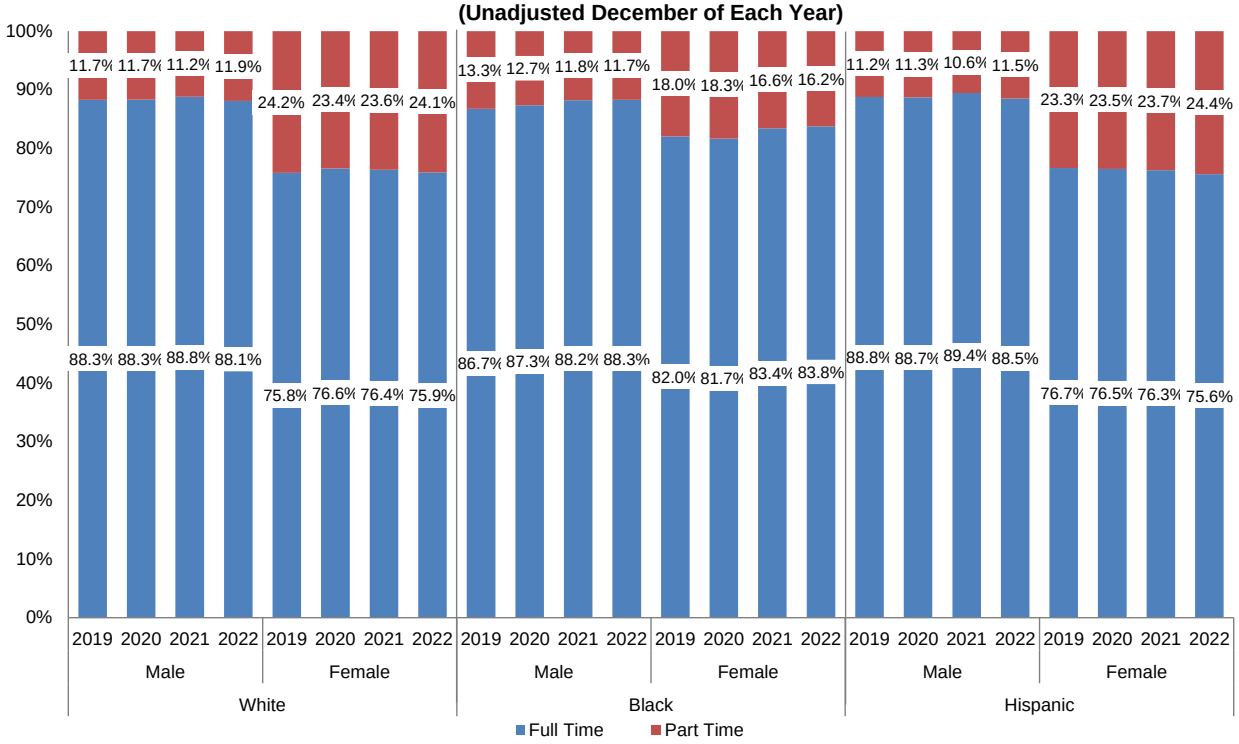


Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 28

Employed Full-Time Worker Share vs. Part-Time Worker Share, by Race/Ethnicity and Gender, 2019–2022

(Unadjusted December of Each Year)

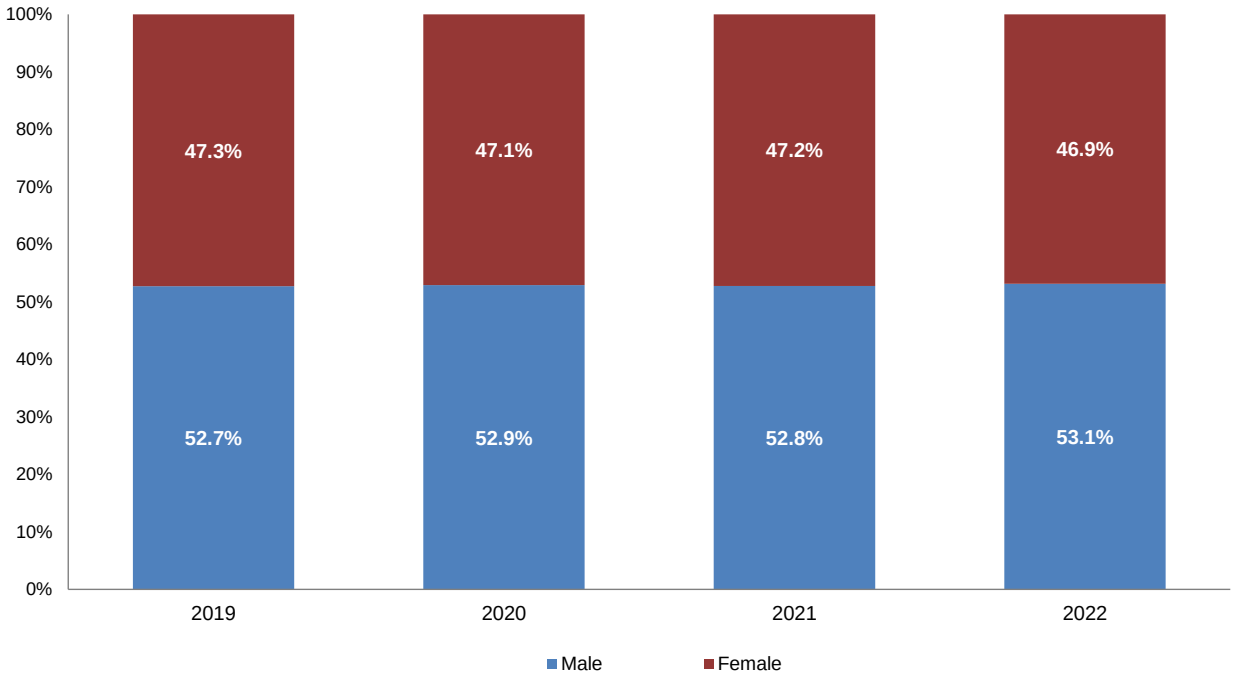


Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 29

Distribution of the Civilian U.S. Labor Force for Those Ages 16 or Older, by Gender, 2019–2022

(Unadjusted December of Each Year)

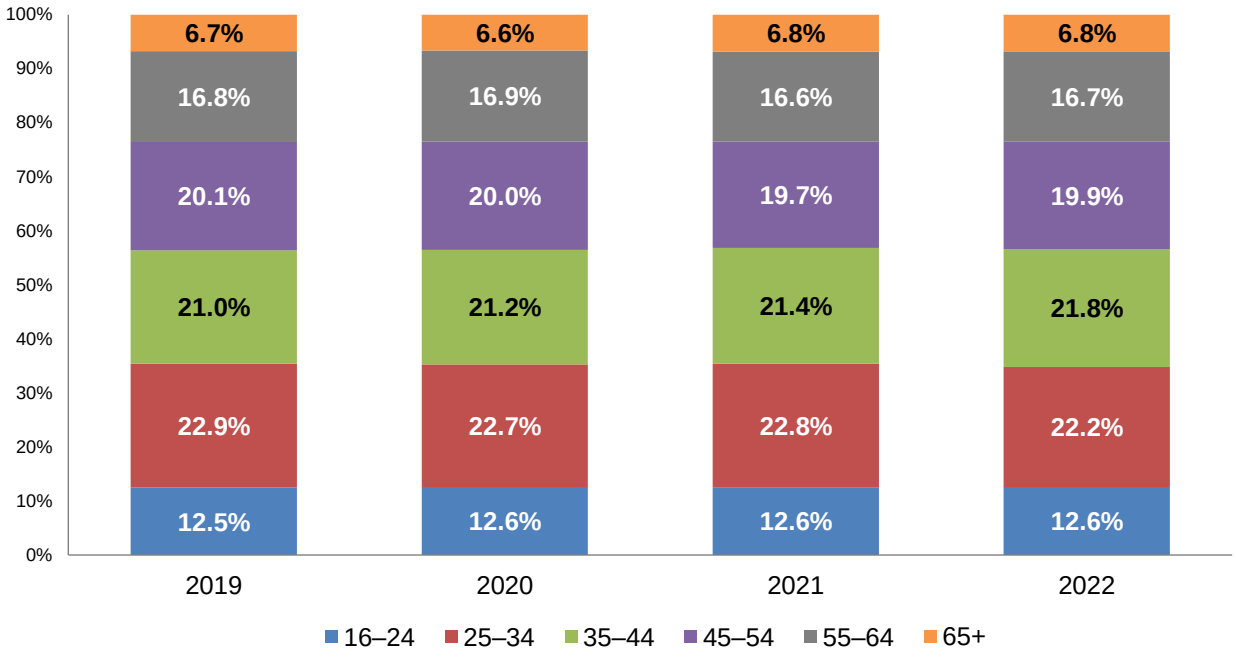


Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

There was also almost no change in the distribution of workers by age from 2019 to 2022 (Figure 30). The changes that did result were a slight increase in the share of workers ages 35–44 and a slight decrease in the share of workers ages 25–34. Further, the only changes of more than 0.2 percentage points in the male/female age distribution of the labor force occurred for females and males ages 25–34 and 35-44. The share ages 25–34 decreased by 0.3 percentage points and 0.4 percentage points, and the share ages 35–44 increased 0.4 percentage points and 0.5 percentage points, respectively, from 2019 to 2022 (Figure 31). Consequently, the age/gender distribution of the labor force looked virtually identical before the start of the pandemic and after it.

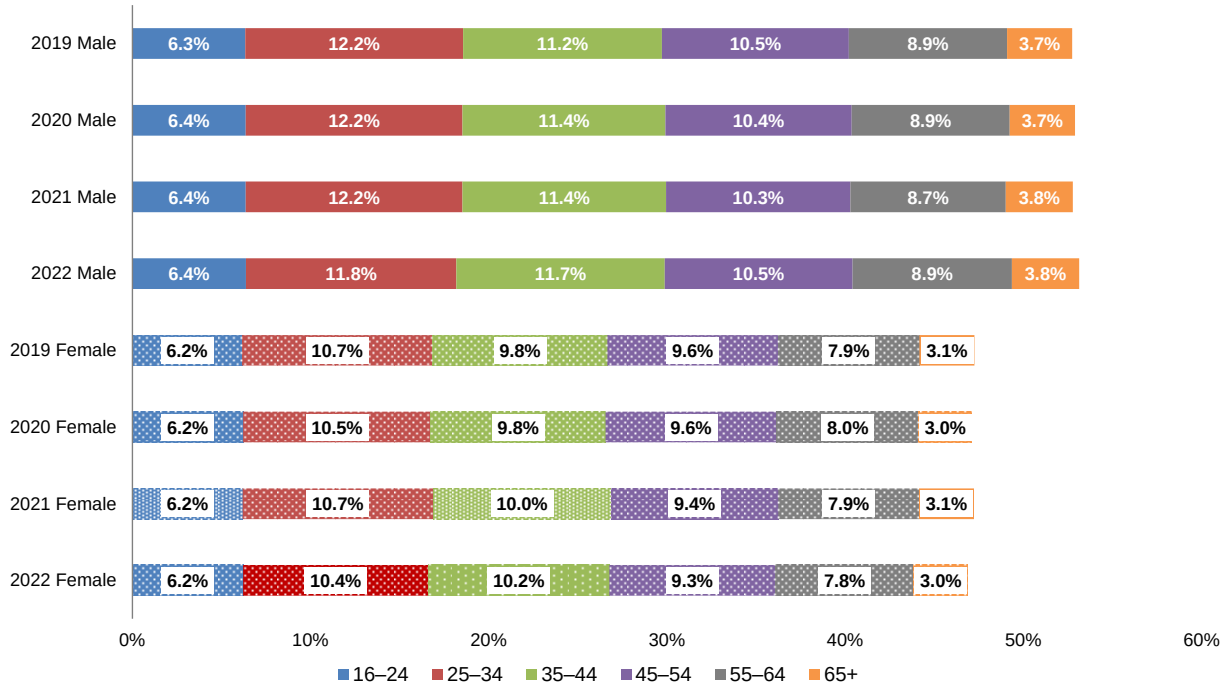
The distribution of those employed by gender and age followed the same patterns as the labor force (Figures 32–34). Again, there were virtually no changes other than slightly larger shares of those ages 35–44 and smaller shares of those ages 25–34 in 2022 compared with 2019.

Figure 30
Distribution of the Civilian U.S. Labor Force for Those Ages 16 or Older, by Age, 2019–2022
(Unadjusted December of Each Year)



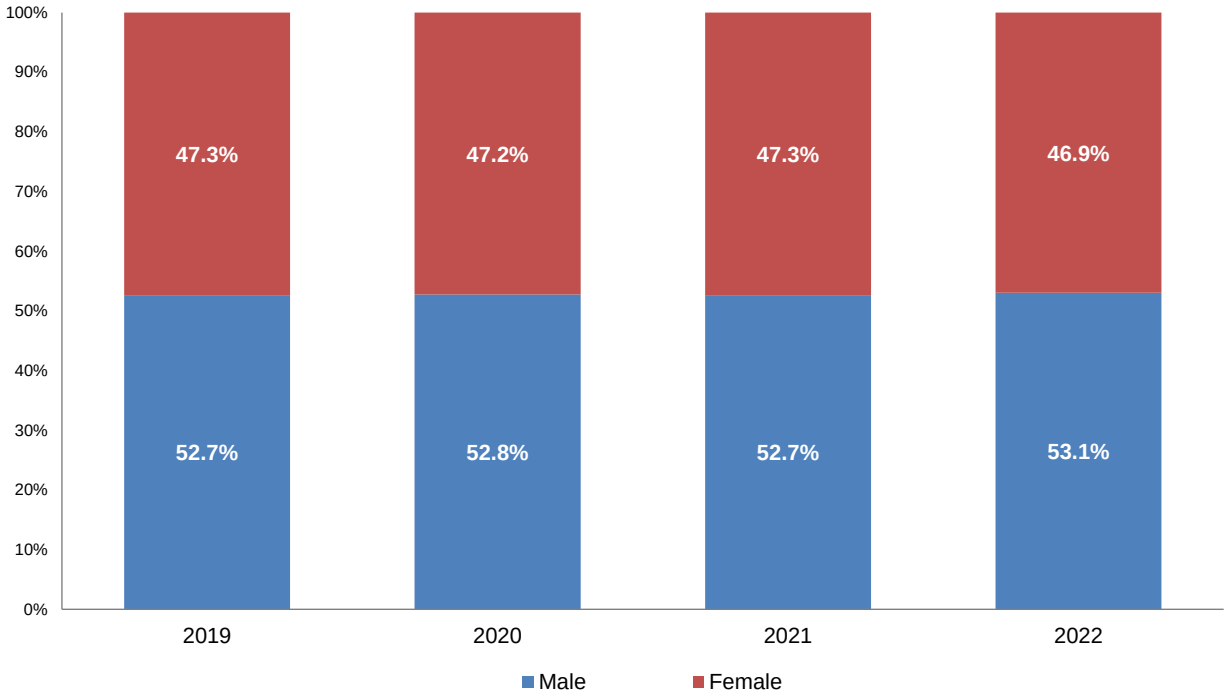
Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 31
Distribution of the Civilian U.S. Labor Force for Those Ages 16 or Older, by Age and Gender, 2019–2022
(Unadjusted December of Each Year)



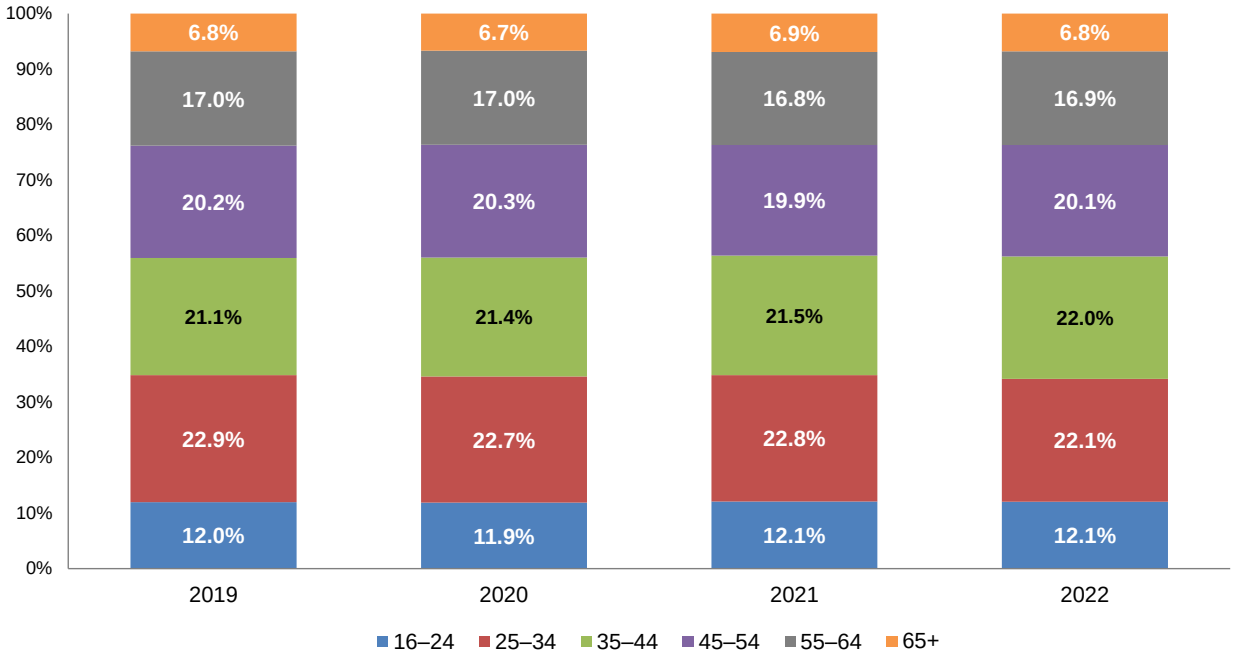
Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 32
Distribution of Civilian Employees Ages 16 or Older, by Gender, 2019–2022
(Unadjusted December of Each Year)



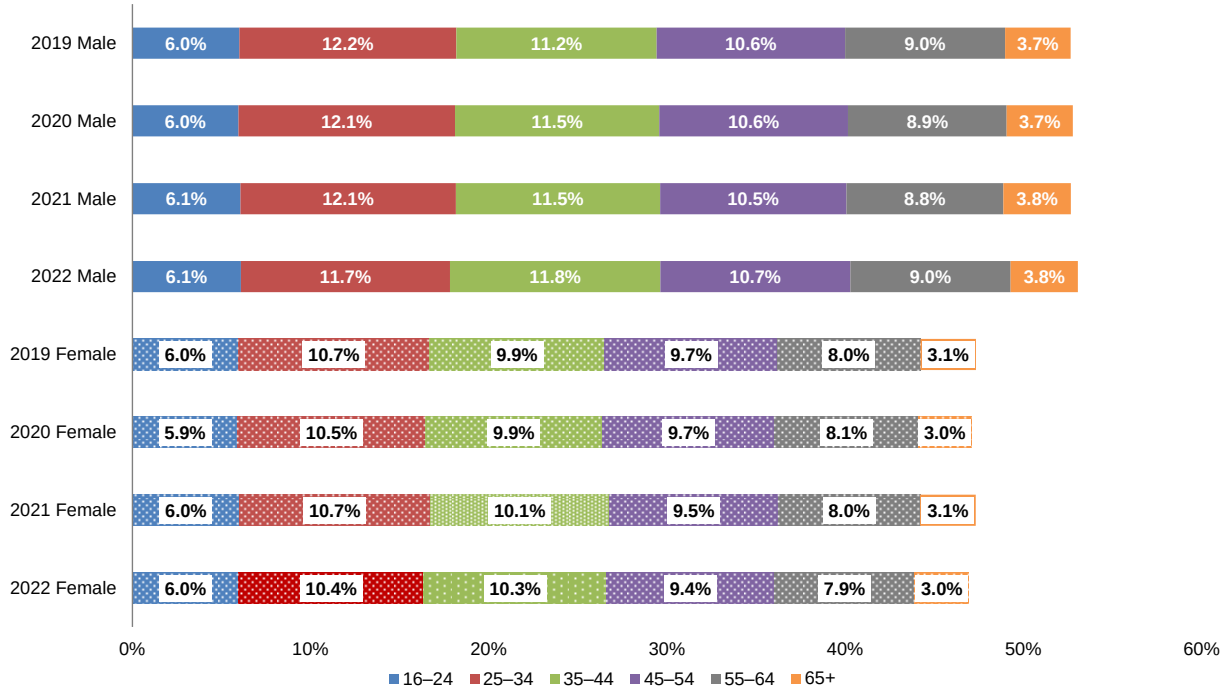
Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 33
Distribution of Civilian Employees Ages 16 or Older, by Age, 2019–2022
(Unadjusted December of Each Year)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Figure 34
Distribution of Civilian Employees Ages 16 or Older, by Age and Gender, 2019–2022
(Unadjusted December of Each Year)



Source: U.S Department of Labor, Bureau of Labor Statistics, "Labor Force Statistics from the Current Population Survey," http://www.bls.gov/data.

Conclusion

The pandemic halted many long-term trends in the American labor market. Many Americans dropped out of the labor force or were without a job if they remained in the labor force at the onset of the pandemic. How Americans respond as the pandemic recedes will have significant implications for workers' retirements. So far, labor force participation rates and employment population ratios have been returning to their prepandemic levels, but certain groups of workers have reached those levels while others are still falling short. In particular, both male and female White Americans have been slow to return to the labor force, as have male Hispanic Americans. Despite the drops in labor force participation and employment during the pandemic, the overall age/gender distribution of the labor force and of those employed barely changed from 2019 to 2022.

The pandemic did not have equal impacts on workers of different races/ethnicities. Both male and female Black Americans were more likely to not be employed in 2020, as were female Hispanic Americans. However, by 2022, the numbers of Americans falling into these groups who were employed were larger than they were in 2019. In contrast, the number of female White Americans employed in 2022 was less than it was in 2019. Since these minority groups make up more of the younger generations and, as a result, will be a larger share of the labor force going forward, companies face more urgency in addressing labor force issues around race/ethnicity if they want to develop a strong work force.

Besides race/ethnicity, the age of the labor force will also play an important role in companies' work force development. At present, the aging of the Baby Boom generation has resulted in an increased share of older individuals in the labor force. However, members of this generation are almost all at least in their 60s, and the next generation (Gen X) is much smaller, so a decrease in the share of workers ages 55 or older is imminent. How quickly this outcome results will be determined by whether the Baby Boom generation has higher labor force participation rates at ages over 65 than what has occurred in the past.

Working longer not only has implications for companies, but also for the individuals themselves, as working into older ages can lead to the accumulation of more assets, less need to deplete assets already accumulated, and/or higher Social Security benefits through more years of work and the delaying of claiming benefits. Post-pandemic labor force participation rates of those ages 65 or older have not recovered to their pre-2019 levels, and as a result, this throws into question the viability of more individuals working into older age as a possible retirement income adequacy solution.

A continued strong labor market will likely lead to the labor force participation rates and employment population rates of 2019 being reached. However, a downturn in the economy would likely halt the movement back to 2019 levels, and who is out of the labor force after any downturn could significantly alter what companies' work forces look like and what Americans have saved for retirement.

Endnotes

[1] The Baby Boom generation is defined by the cohort of individuals born from 1946–1964. In 2023, the youngest of them will turn 59 and the oldest 77.

[2] The civilian noninstitutionalized population excludes those Americans in the military or institutions such as prisons or for health care needs like nursing homes, mental institutions, etc.

[3] This study updates and adds to prior Employee Benefit Research Institute studies on U.S. labor force participation. See Copeland, Craig, "Labor Force Participation and the Pandemic: Making Sense of the Changes" *EBRI Issue Brief,* no. 532 (Employee Benefit Research Institute, July 8, 2021) for the most recent prior study.

[4] The labor force participation rate is a measure of those in a particular group working or *actively pursuing* work, not the share of those actually working who fall into a specific category.

[5] The data can be downloaded from the U.S. Bureau Labor Statistics' website at http://www.bls.gov/data/ under "Employment"/"Labor Force Statistics".

[6] All of the numbers for this study are for December of the respective year. For the remainder of the article, only the year will be used, but it should be understood that it means December of that year. Furthermore, they are the unadjusted numbers for each year — *not* seasonally adjusted.

[7] The CPS only has male and female categories for gender.

[8] These are *not* mutually exclusive groups, as the Bureau of Labor Statistics does not provide an exclusive Hispanic American group, so White and Black Americans include both non-Hispanic and Hispanic Americans.

[9] To reiterate, these are *not* mutually exclusive groups, as the Bureau of Labor Statistics does not provide an exclusive Hispanic American group, so White and Black Americans include both non-Hispanic and Hispanic Americans.

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