

Labor Force Participation and Employment During the Pandemic by Race and Ethnicity

Introduction

Studying labor force participation (LFP) before and after the COVID-19 pandemic provides important insights into which groups of Americans were most affected by the pandemic.¹ In addition to the LFP rate, this *Fast Fact* 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. Consequently, the labor force could stay the same, while the employment population ratio could go up and down depending on those in the labor force who are actually employed vs. those seeking employment.

Labor Force Participation Rates

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 2019.² By 2022, this number had rebounded to 62.0 percent. However, the LFP rates by race and ethnicity did not rebound in the same manner. For White Americans, the LFP rate barely budged from its lower 2020 rate — 63.0 percent in 2019 to 61.4 percent in 2020 before reaching 61.8 percent in 2022 (Figure 1). In contrast, Hispanic and Black Americans' LFP rates steadily increased in 2021 and 2022 to be under 1 percentage point less than in 2019. Asian Americans' LFP rate jumped up in 2021 to be above its 2019 level (64.6 percent vs. 63.4 percent) before falling in 2022, albeit remaining above its 2019 level.³

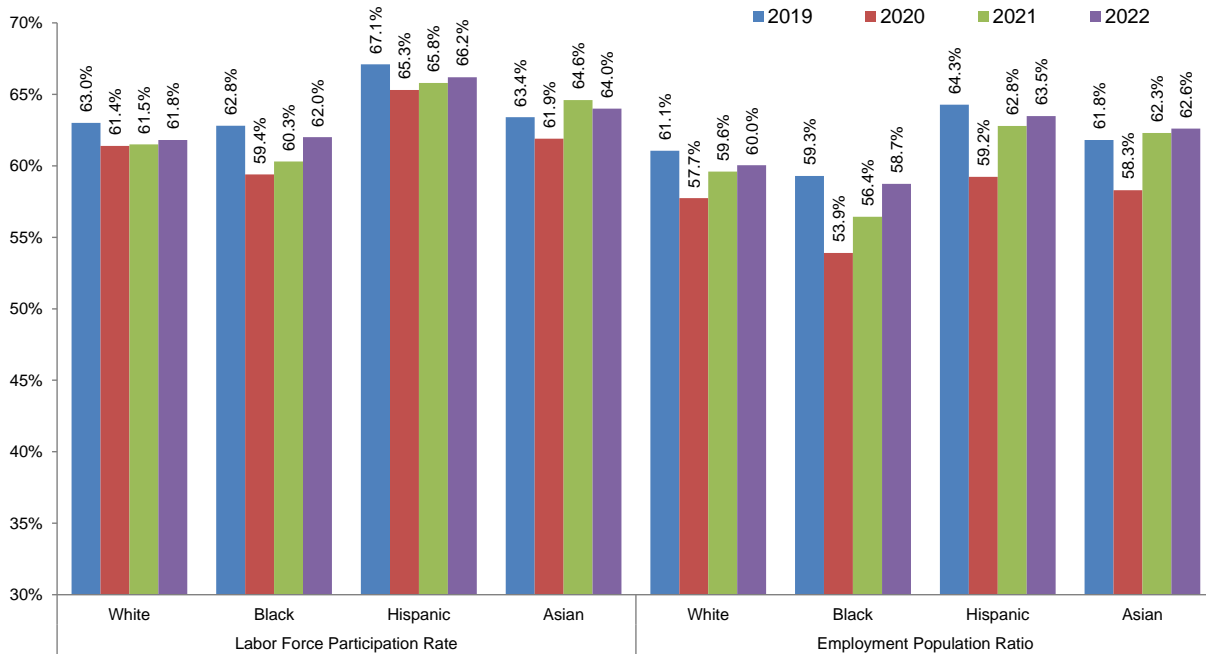
Employment Population Ratios

A similar pattern emerged for the employment population ratios across the race/ethnicity categories examined — White Americans made the smallest recovery to their 2019 level, and Asian Americans' level was higher in 2022 than in 2019 (Figure 1). Hispanic and Asian Americans had higher employment population ratios in 2022 than did White and Black Americans.

The male LFP and employment rates were higher in each year than the female rates. This also results for the employment population ratio across each race/ethnicity category and in each year examined (Figure 2). Both Black and Asian male Americans had higher population ratios in 2022 than they did in 2019. In contrast, White and Hispanic Americans' employment population ratios were still below their 2019 levels in 2022, but both were above their lows in 2020.

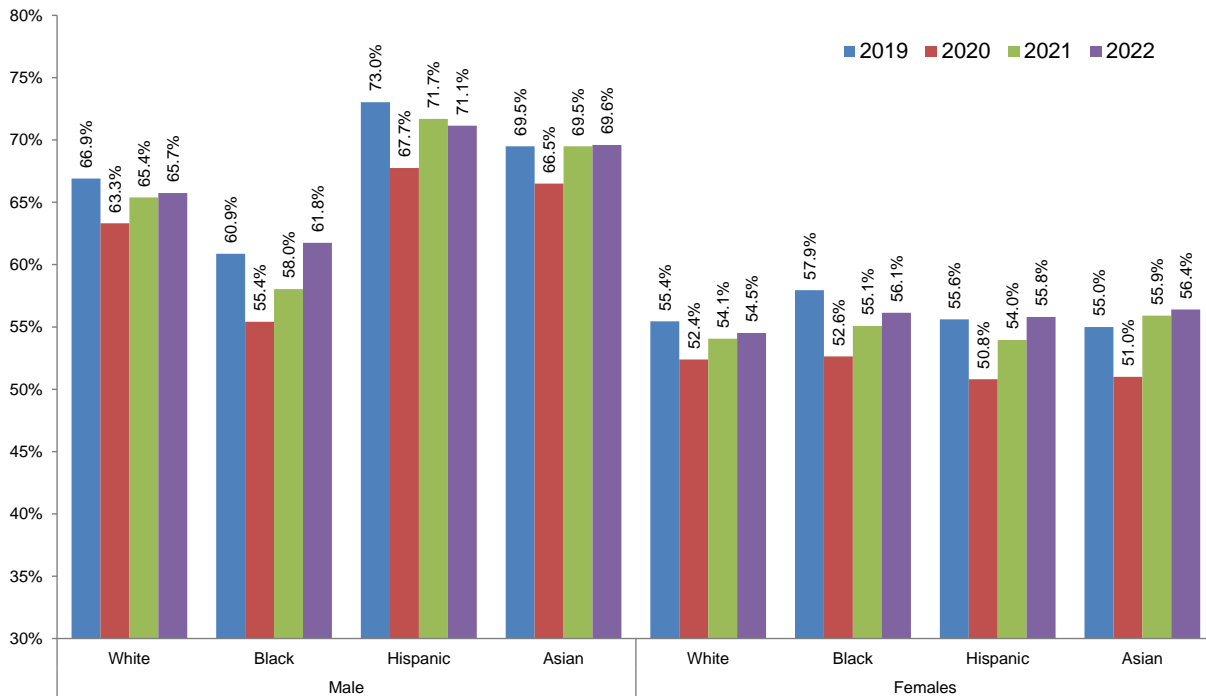
Among females, Hispanic and Asian Americans had higher employment population ratios in 2022 than they did in 2019, whereas this ratio was lower among White and Black Americans in 2022. In fact, among females, Black female Americans made the least progress by 2022 toward reaching their 2019 level, while Hispanic males had the least progress among males.

Figure 1
Labor Force Participation Rates and Employment Population Ratio 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 2
Employment Population 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/>

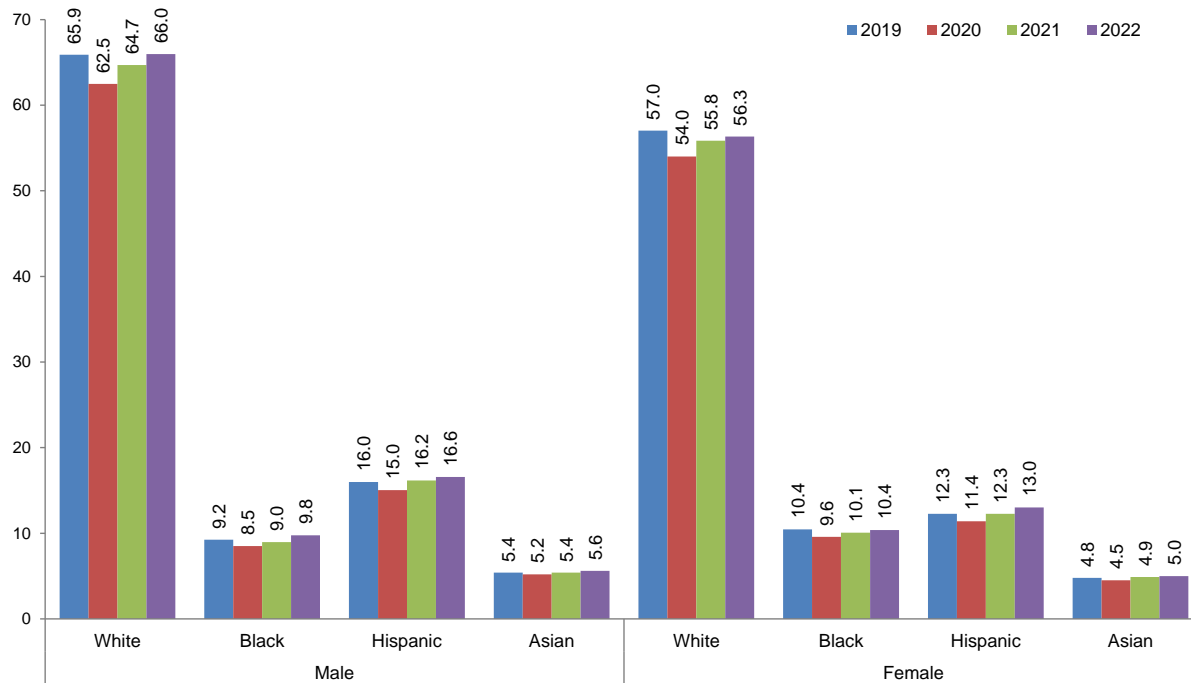
White Americans had the lowest employment population ratio among females, while this was the case for Black Americans among males. Hispanic males had the highest employment population ratio among males, whereas the highest ratio for females resulted for Asian females.

Number Employed

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. However, the number employed reached 158.9 million in 2022, surpassing the 2019 number. Yet, this rebound to above the level in 2019 did not occur across all gender/race/ethnicity categories (Figure 3).

After the number employed decreased for each gender/race/ethnicity category in 2020 vs. 2019, the numbers of those employed were at least as high in 2022 relative 2019 in all categories except among female White Americans (57.0 million in 2019 compared with 56.3 million in 2022). In contrast, 700,000 more Hispanic female Americans were employed in 2022 than in 2019. Both Black and Hispanic males had 600,000 more employed in 2022 vs. 2019.

Figure 3
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/>

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 now that the pandemic is considered over 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. In contrast, Asian Americans' LFP rate, employment populations rate, and number employed surpassed their 2019 levels.

Despite both male and female Black Americans and female Hispanic Americans being more likely to not be employed in 2020, 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 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.

A continued strong labor market will likely lead to the labor force participation and employment population rates of 2019 being reached. However, a downturn in the economy would likely halt the movement back to 2019 levels. What results could lead to a much different labor force.

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¹ See Copeland, Craig, "[Trends in Labor Force Participation and Employment](#)," *EBRI Issue Brief*, no. 584 (Employee Benefit Research Institute, May 11, 2023) for more details on trends in labor force participation rates and employment population ratios.

² All numbers reported are not seasonally adjusted for December of the respective years.

³ These categories are *not* mutually exclusive groups, as the Bureau of Labor Statistics does not provide an exclusive Hispanic American group for the labor force statistics, so White, Black, and Asian Americans include both non-Hispanic and Hispanic Americans. Analogously, Hispanic Americans could identify their race as either White, Black, Asian, or another race.

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