

# EMPLOYMENT

UPDATED THROUGH FEBRUARY 2025 | NATIONAL

Raji Chakrabarti, Thu Pham, Beck Pierce, and Maxim Pinkovskiy

## Data & Methods

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- Employment is calculated using weighted estimates from the Current Population Survey (CPS).
- Comparable nonveterans are male high school graduates reweighted by age, race, and birthplace to match veterans.
- Gaps are defined as the percentage point difference in employment, labor force participation, and unemployment rate between different groups.
- The gender gap is defined as the outcome for men minus the outcome for women.
- The racial gaps are defined as the outcome for white workers minus the outcome for the given race or ethnicity.
- The college gap is the outcome for workers with a bachelor's degree minus the outcome for workers without one.
- The rural gap is the outcome for urban workers minus the outcome for rural workers.

A group of five diverse people are seated around a table in a meeting room. One person on the right is in a wheelchair. The scene is dimly lit, with a large window in the background showing a cityscape. The overall tone is professional and inclusive.

# EMPLOYMENT: EMPLOYMENT-TO- POPULATION RATIO

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## Takeaways | EPOP

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- Employment trends have remained steady since mid-2022.
- The gender gap remained essentially level at 11.0 percentage points since August 2024.
- The Black and Hispanic employment gaps stand at around 4.9 and 4.0 percentage points, respectively, in February 2025, while the AAPI gap has fallen to 1.7 percentage points.
- The college employment gap stands at to 12.1 percentage points.
- The employment gap for Black men (relative to white men) rose from 6.7 percentage points in November 2024 to 8.0 percentage points in February 2025.

*Gaps and all other relevant definitions can be found on the data and methods slide.*

## Takeaways | EPOP (continued)

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- The rural-urban employment gap fell to 2.7 percentage points in February 2025.
- Employment for veterans fell to 80.3 percentage points in February 2025, compared with 86.3 percentage points for a group of comparable nonveterans.
- Workers with any disability have a 45.3% employment rate, much lower than the 83.2% employment rate of workers without disabilities. Workers with non-physical disabilities have higher employment rates than workers with non-physical disabilities do. Employment rates for workers with disabilities have risen by 5-10 percentage points since the pandemic.

*Gaps and all other relevant definitions can be found on the data and methods slide.*

# Full Report Highlights

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## ▪ INFLATION

- Hispanic, middle- and upper-income, and rural households see lower inflation than the national average.
- Low-income, Northeastern, and urban households are experiencing higher inflation than the national average.
- Inflation differences by age and education are nearly zero and inflation gaps are much smaller than in 2021-22.

## ▪ EARNINGS

- Rural workers earned more as a fraction of urban workers' earnings in February 2025 than in November 2024.
- Black and Hispanic workers, women, and workers without a college degree earn more as a fraction of white workers, men, and workers with a degree, respectively, than they did in February 2024.
- Workers in large businesses, on average, receive higher monthly earnings than workers in small and medium-sized businesses do, while earnings of workers in medium and large-sized businesses grew at the highest rate.

## Full Report Highlights (continued)

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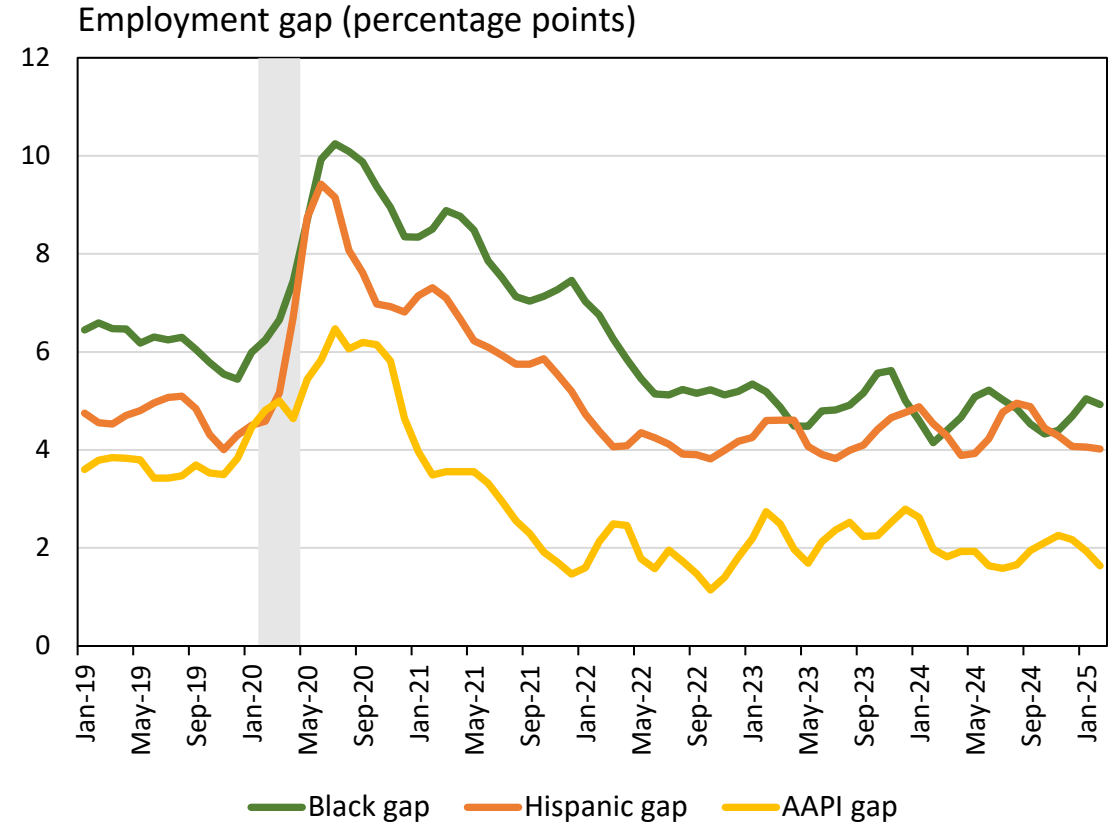
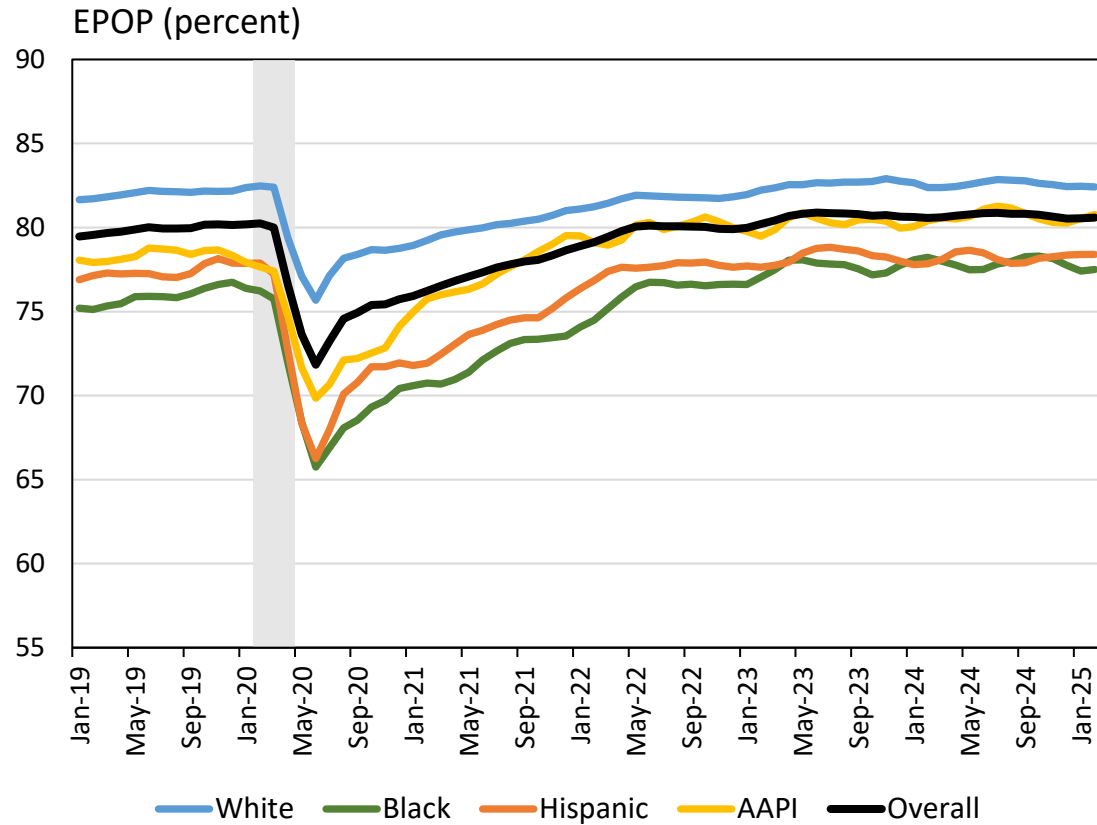
### ▪ **EMPLOYMENT**

- EPOP and LFP gaps for Black men and veterans have risen between November 2024 and February 2025.
- Workers with disabilities are much less (nearly half as) likely to participate in the labor force and be employed, and more than twice as likely to be unemployed than workers without disabilities.
- Turning to heterogeneity by business size, employment has grown faster at large businesses than at small and medium-sized businesses.

### ▪ **WEALTH**

- Growth in wealth after 2019 was faster for some groups with little wealth growth relative to population.
- This growth did not meaningfully reduce stark wealth inequalities across demographic groups.
- Liquid assets have increased in 2025:Q1.

## EPOP by Race/Ethnicity



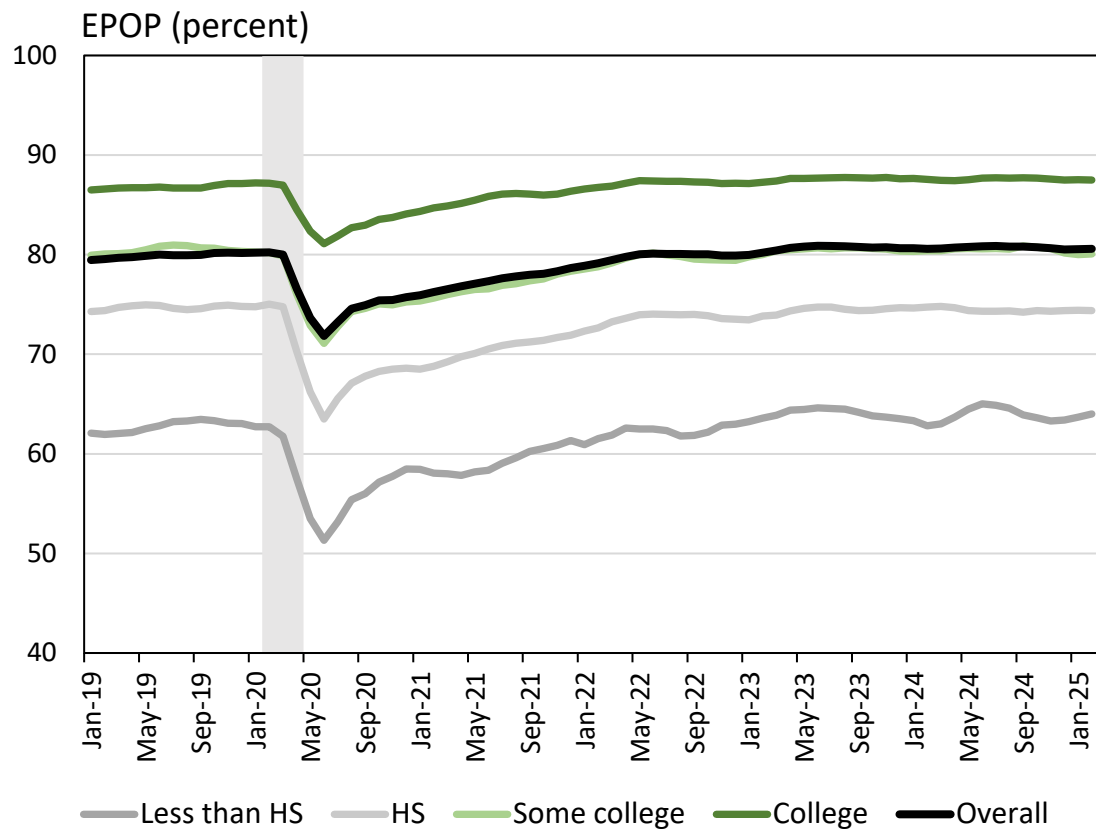
Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession.

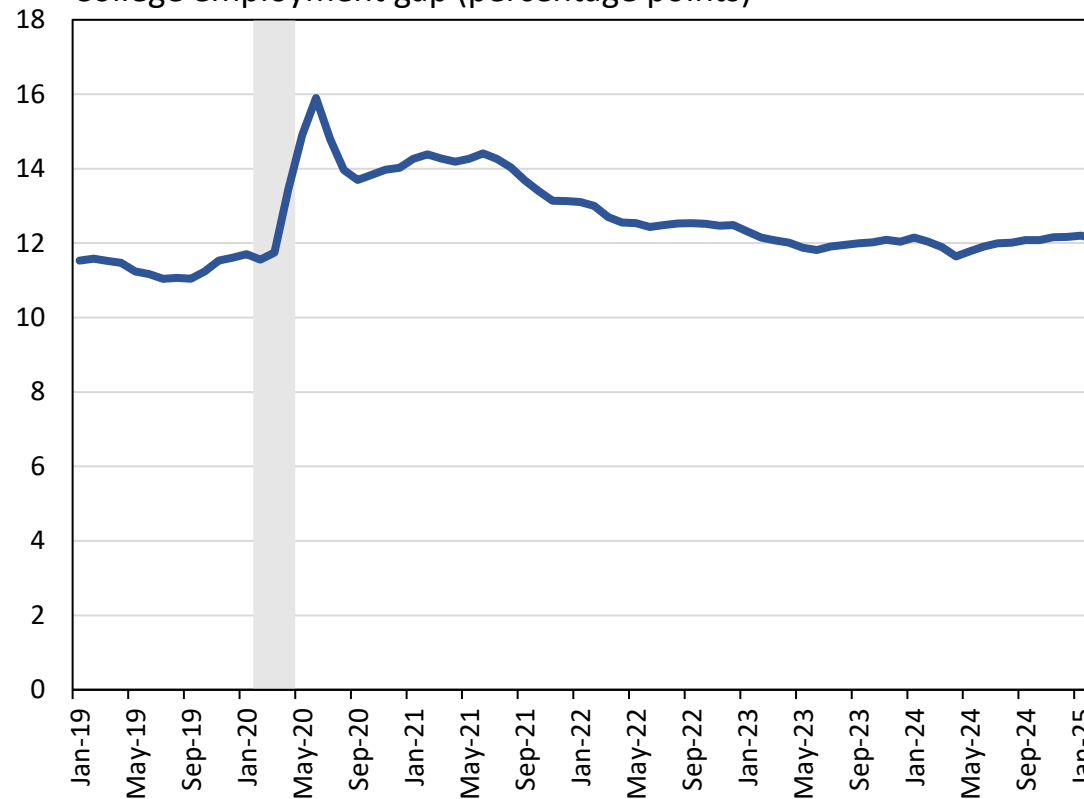
The racial gaps are defined as the employment of white workers minus the employment of the given race or ethnicity.



## EPOP by Education



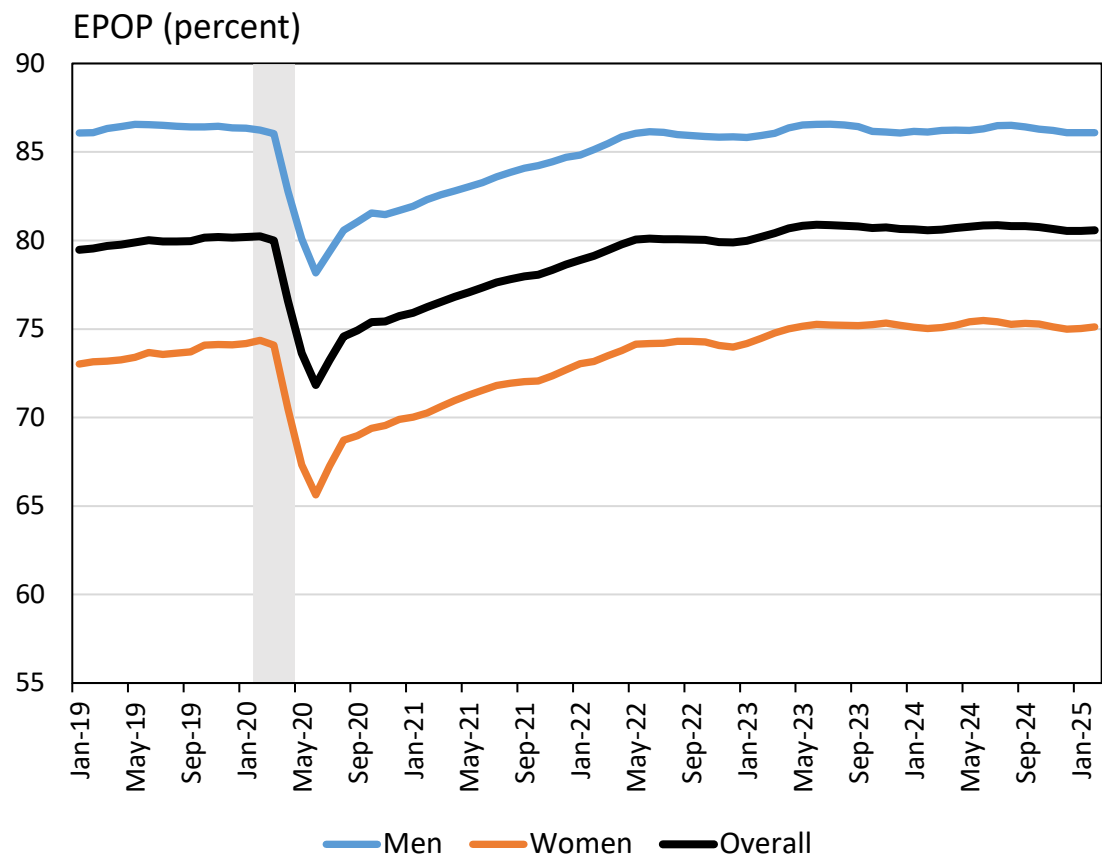
**College employment gap (percentage points)**



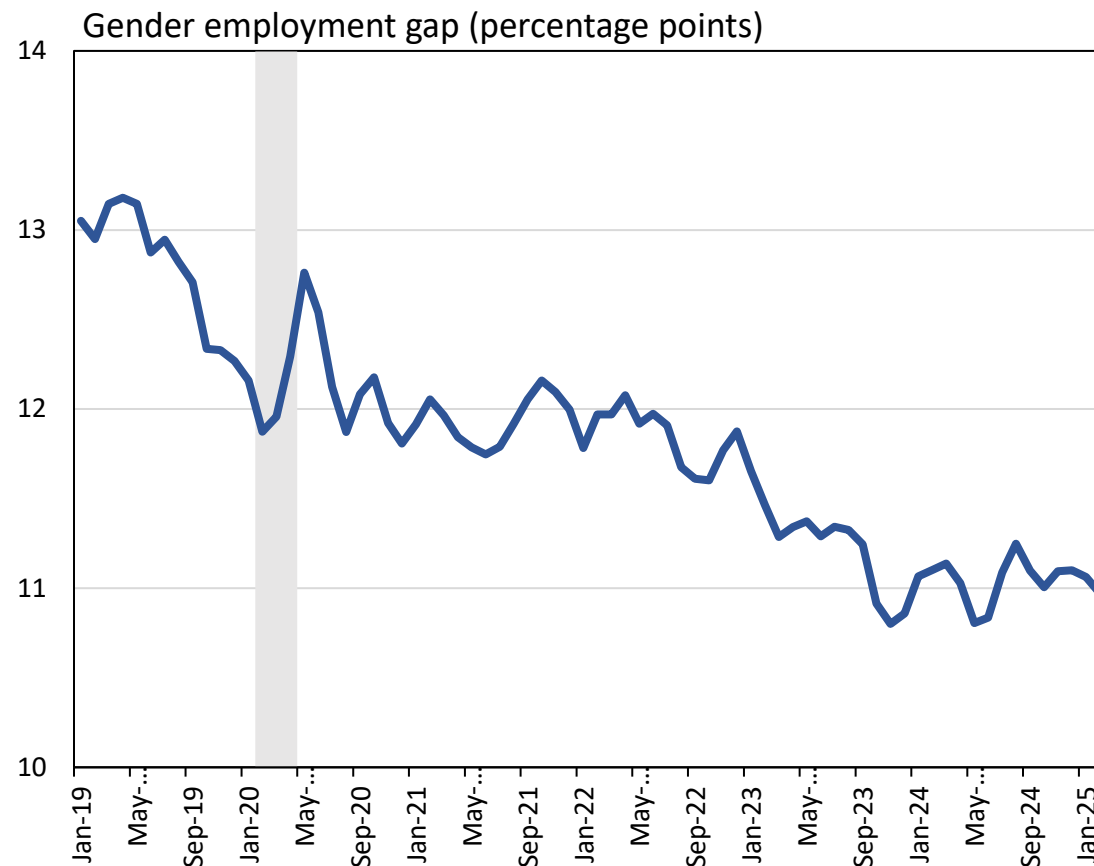
Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. The college gap is the employment of workers with a bachelor's degree minus the employment of workers without one.

## EPOP by Gender



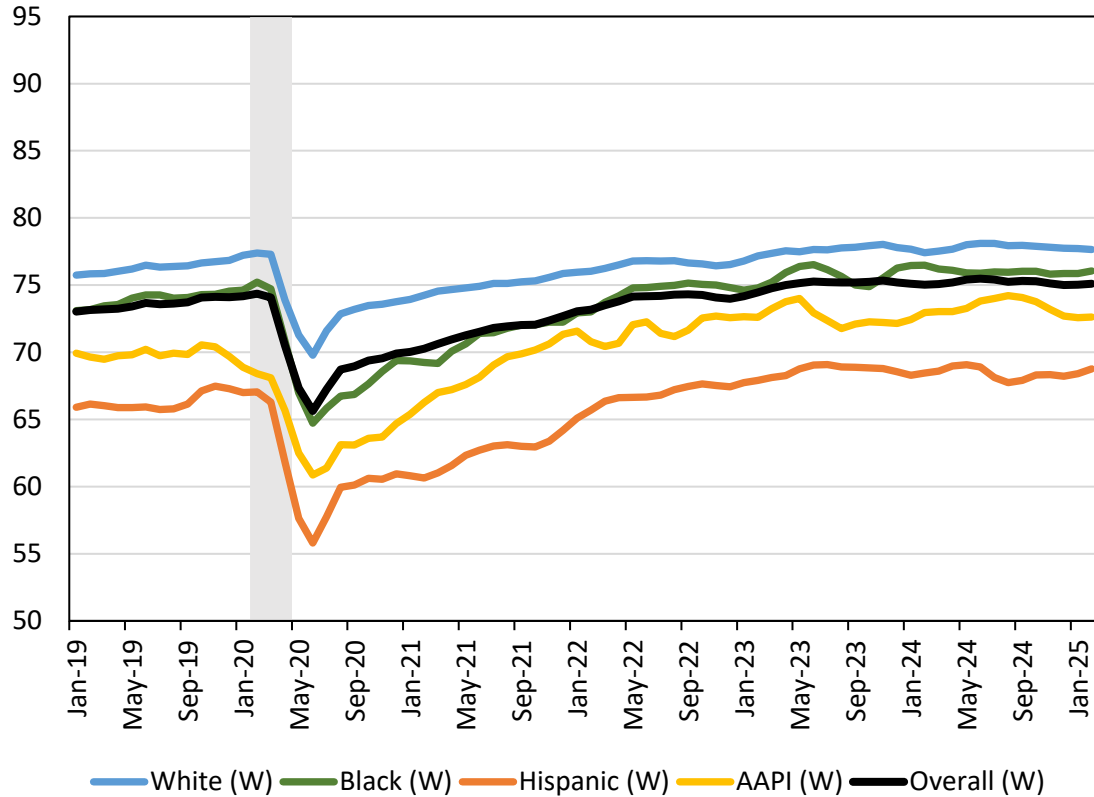
Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.



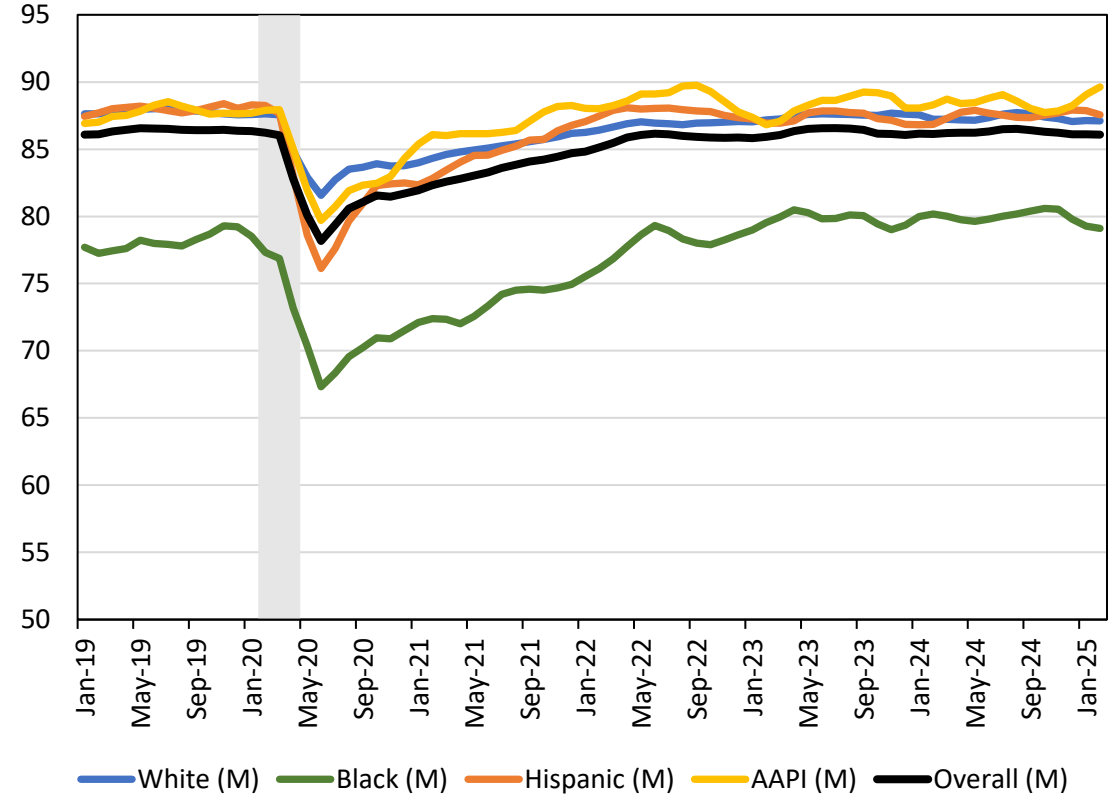
Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. The gender gap is defined as the employment of men minus the employment of women.

## EPOP by Race x Gender

EPOP (percent), women



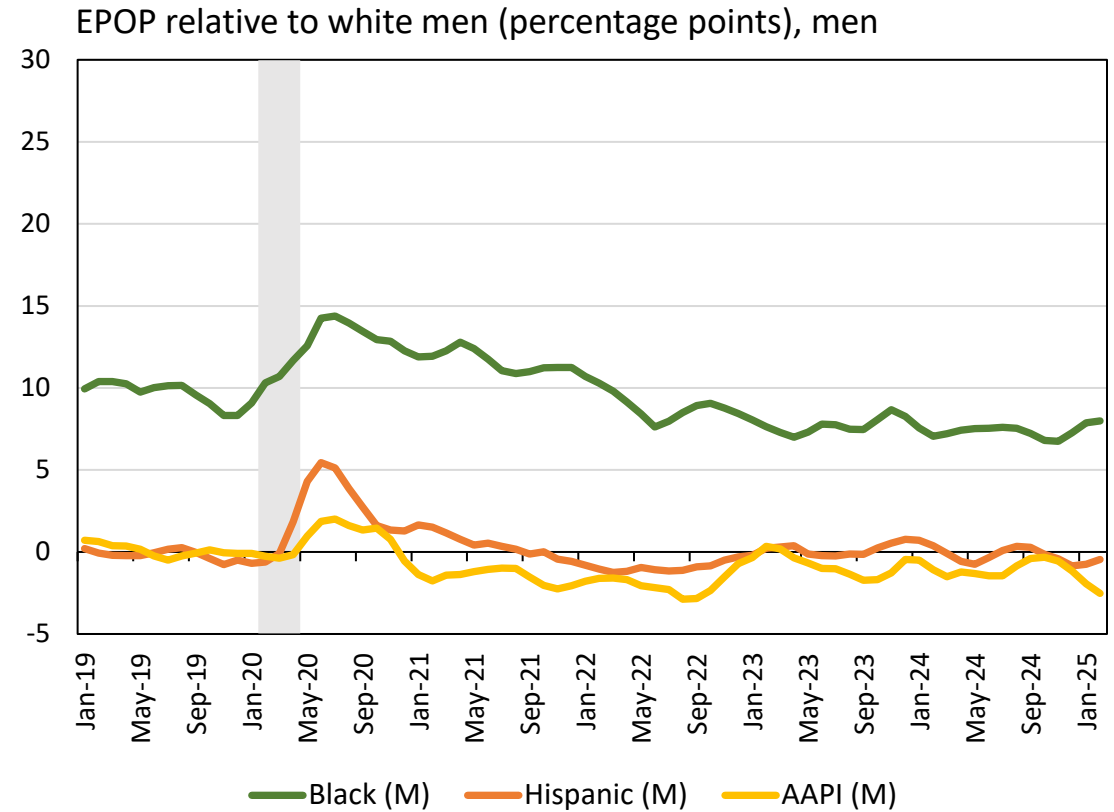
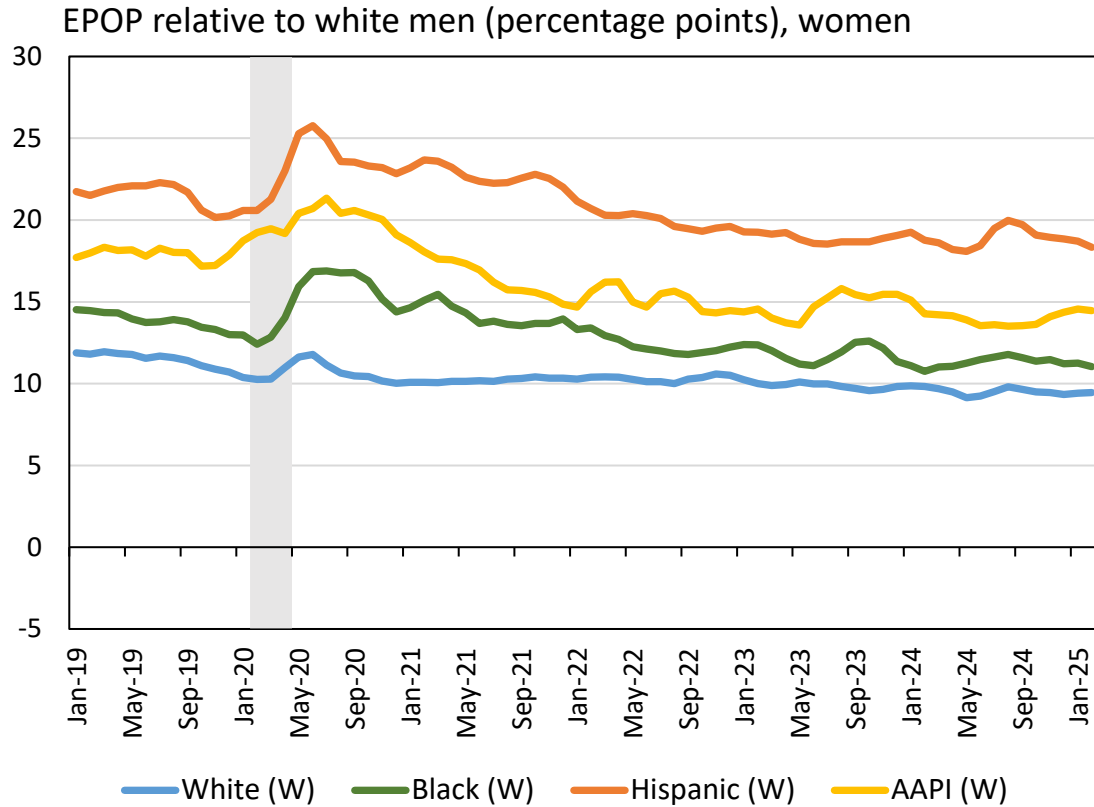
EPOP (percent), men



Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

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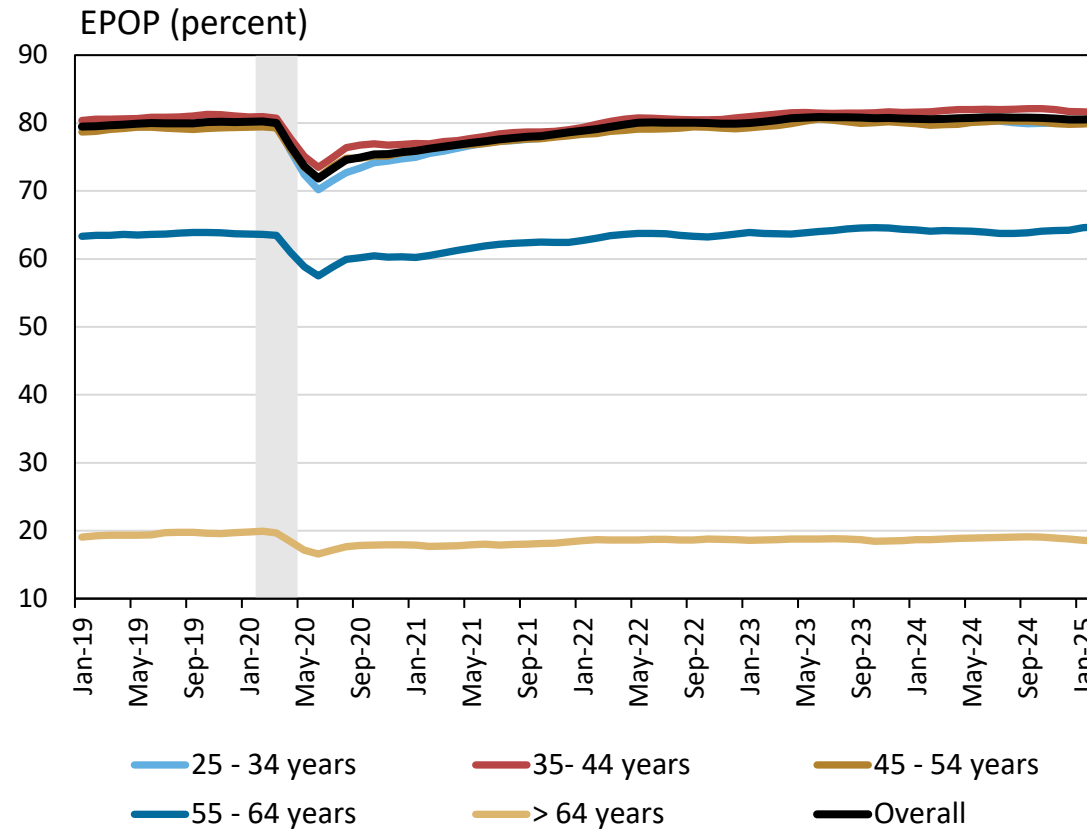
## EPOP Gaps by Race x Gender



Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. The race by gender gap is defined as the employment of white men minus the employment of women or men of the given race or ethnicity.

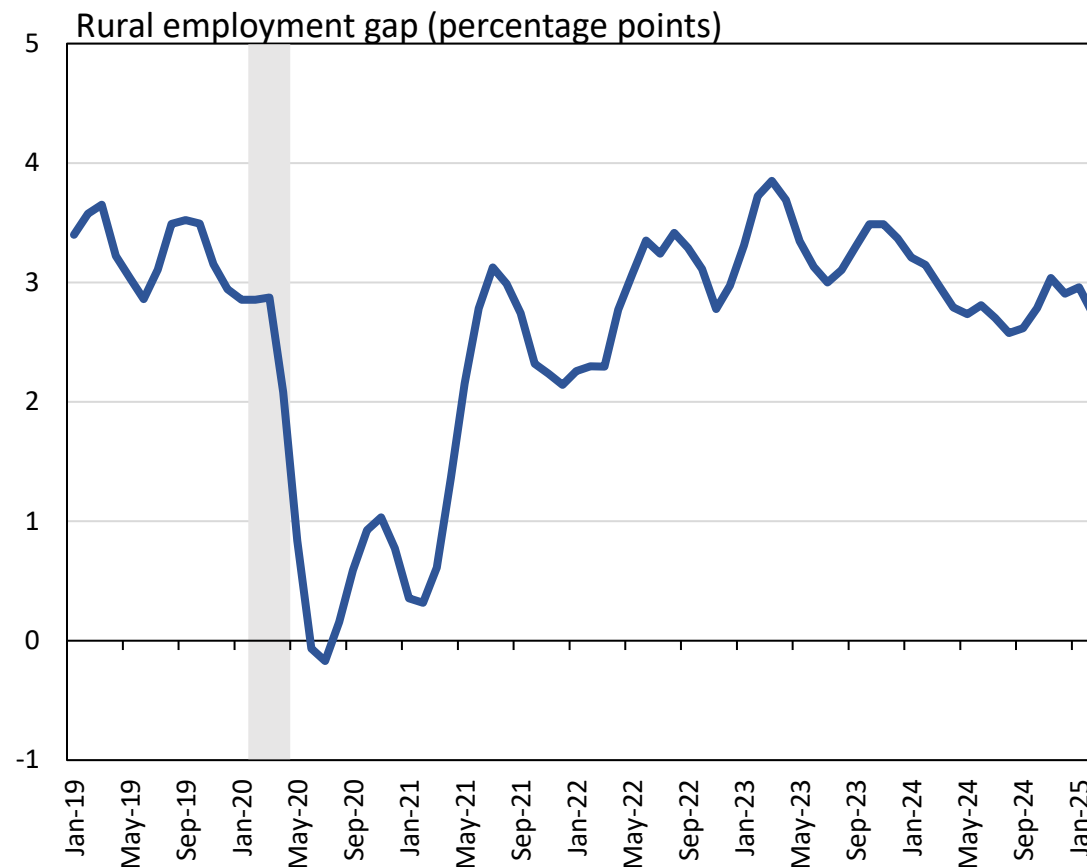
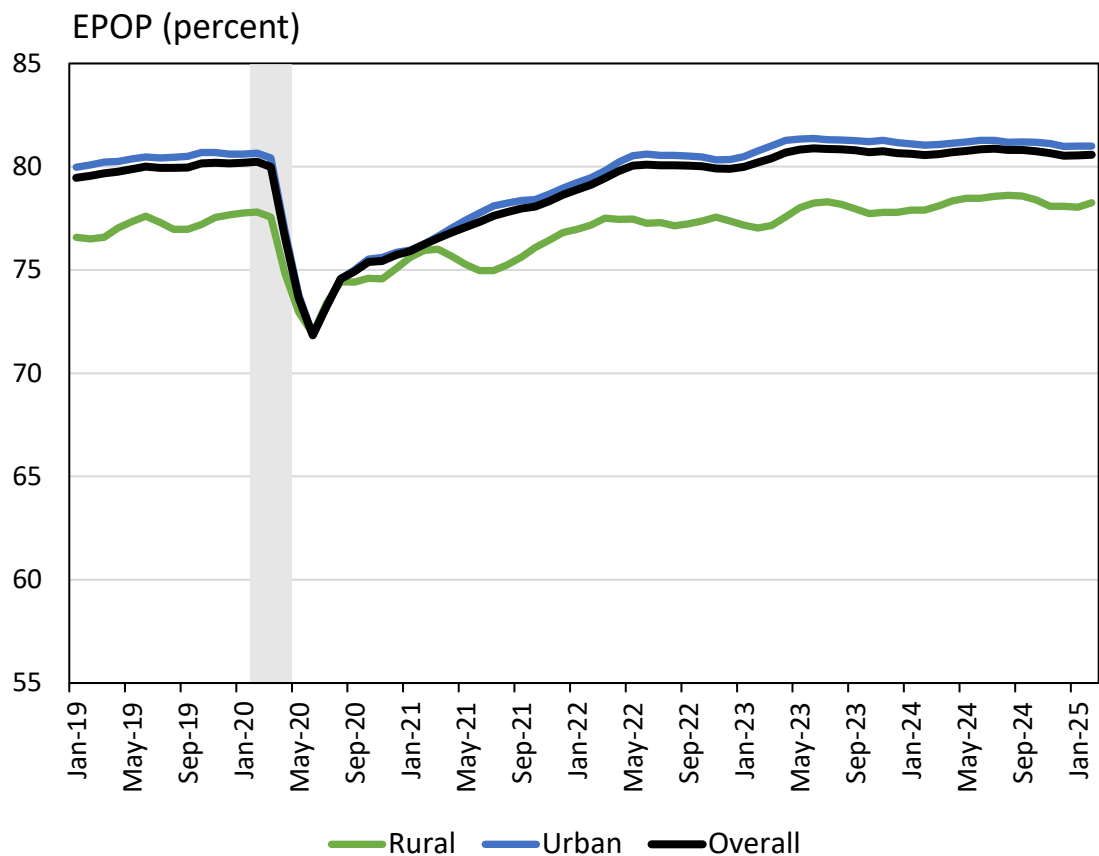
## EPOP by Age



Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations; three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

Notes: Overall line uses prime-age (25-54) sample. Shaded region indicates the COVID-19 recession.

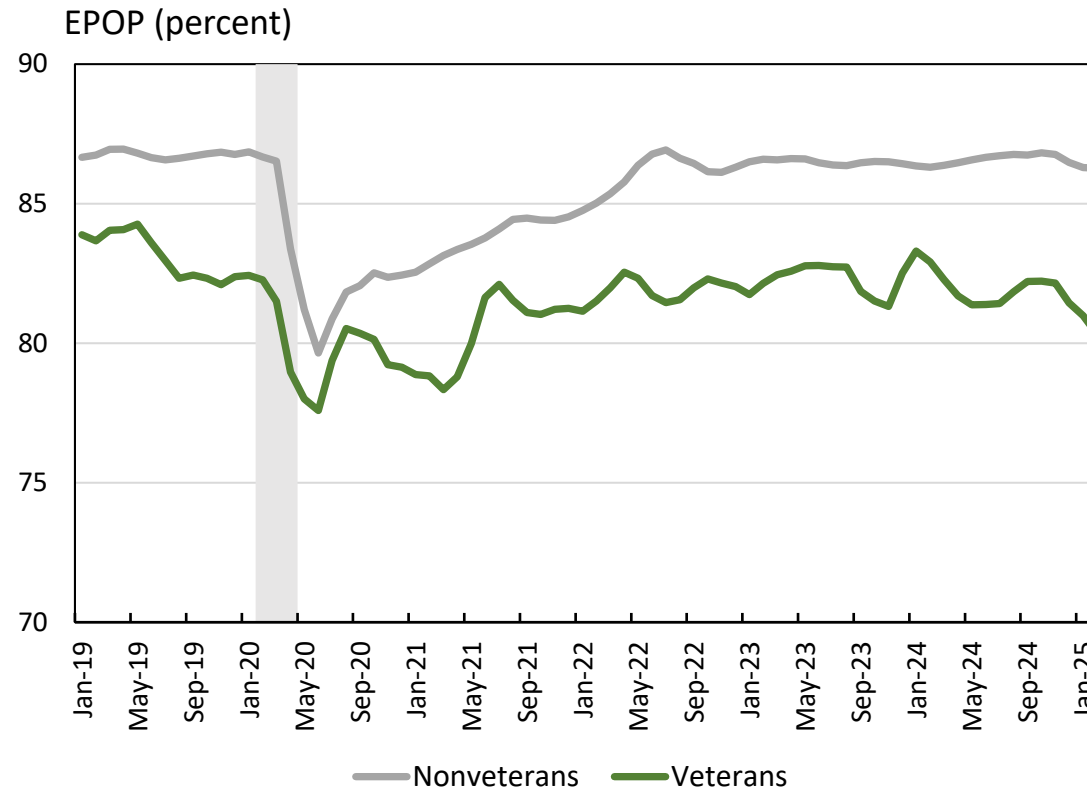
## EPOP by Urban Status



Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. The rural gap is the employment of urban workers minus the employment of rural workers.

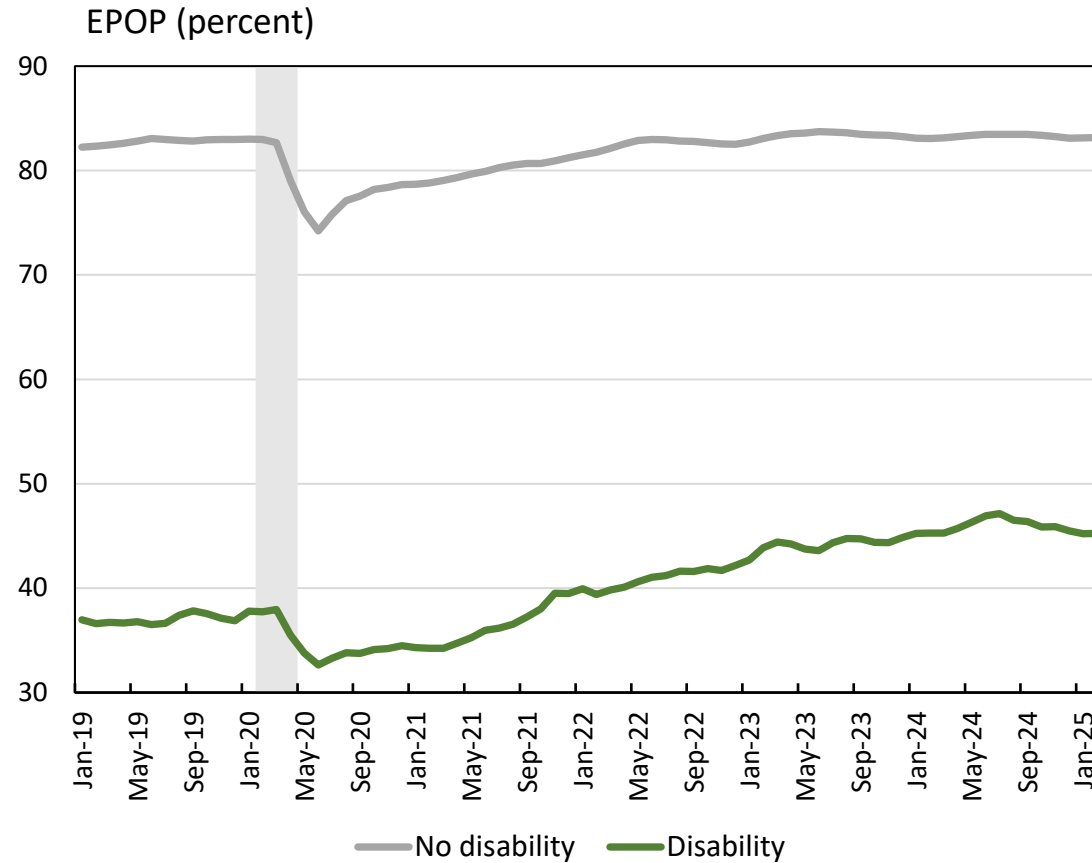
## EPOP by Veteran Status



Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

Notes: Restricted to men, 25-55, with at least a high school diploma. Shaded region indicates the COVID-19 recession.

## EPOP by Disability



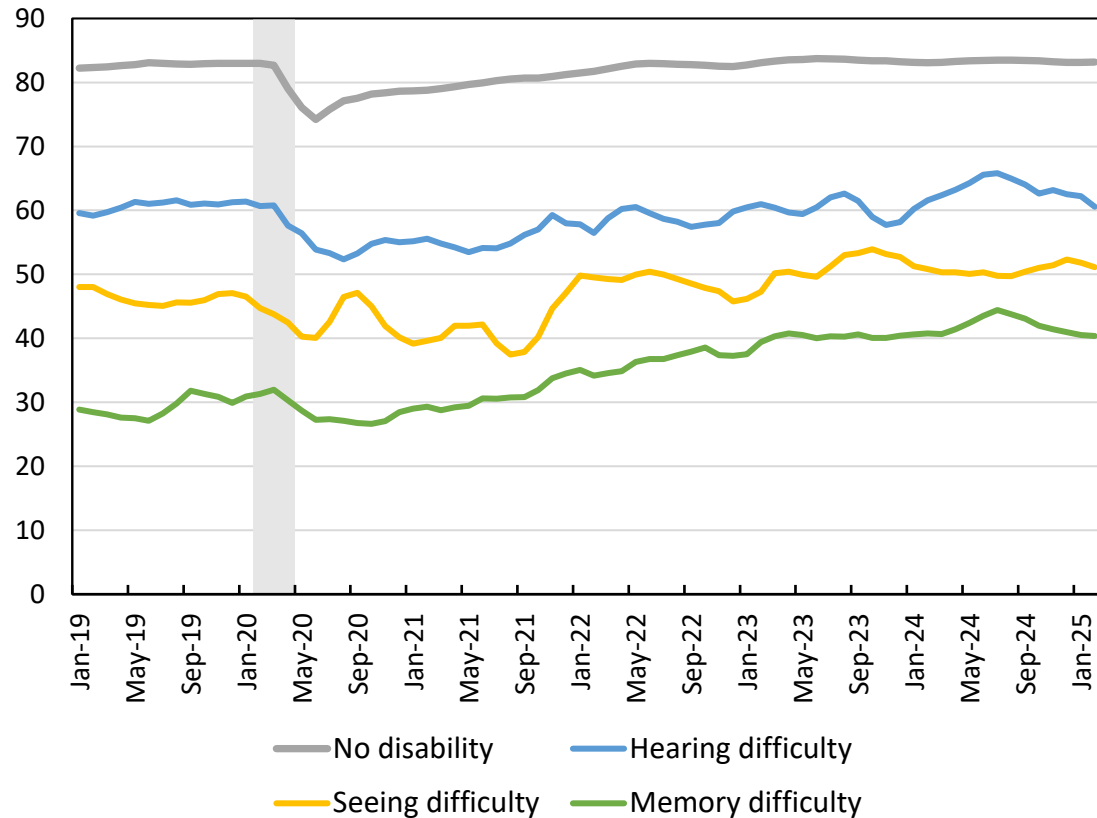
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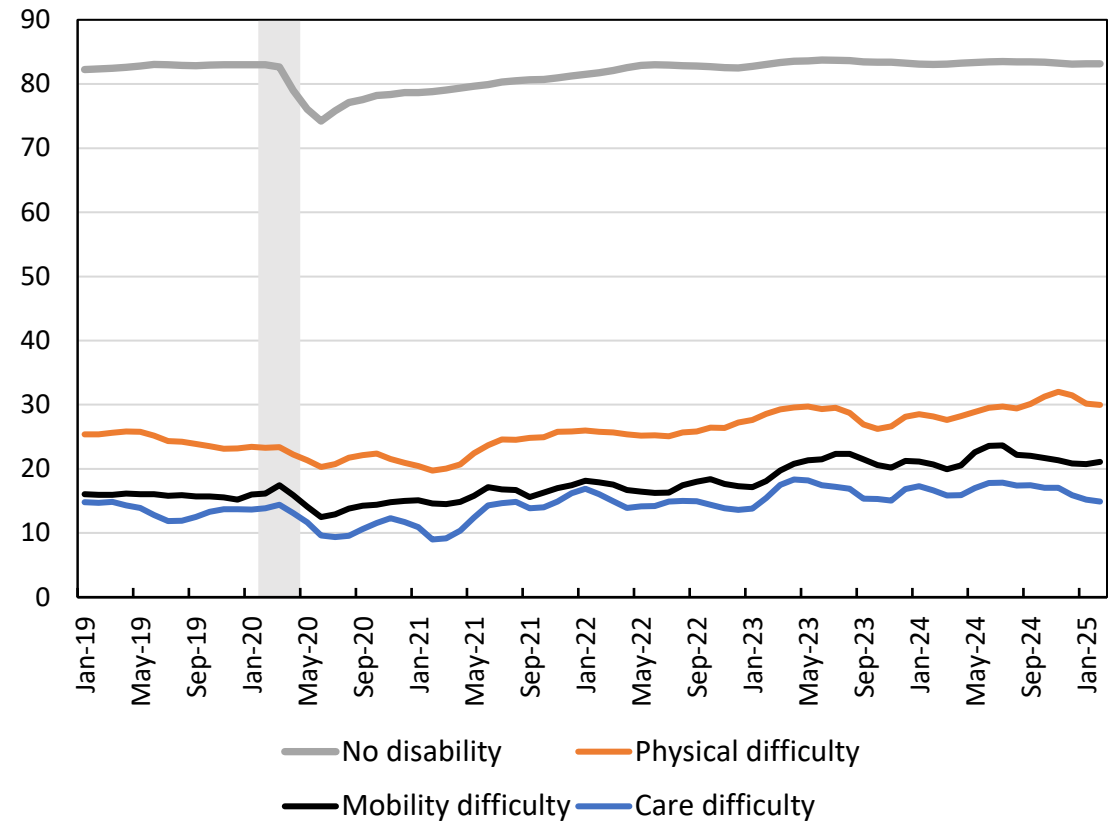


## EPOP by Specific Disability

EPOP (percent): non-physical disabilities



EPOP (percent): physical disabilities



Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. A care difficulty is a physical or mental condition that makes it challenging for individuals to take care of their own personal needs.

A group of five diverse people are seated around a table in a meeting room. One person on the right is in a wheelchair. The room has large windows in the background. The text is overlaid on a semi-transparent white box in the center of the image.

# WORKERS' EMPLOYMENT BY BUSINESS SIZE

UPDATED THROUGH 2023:Q4 | NATIONAL

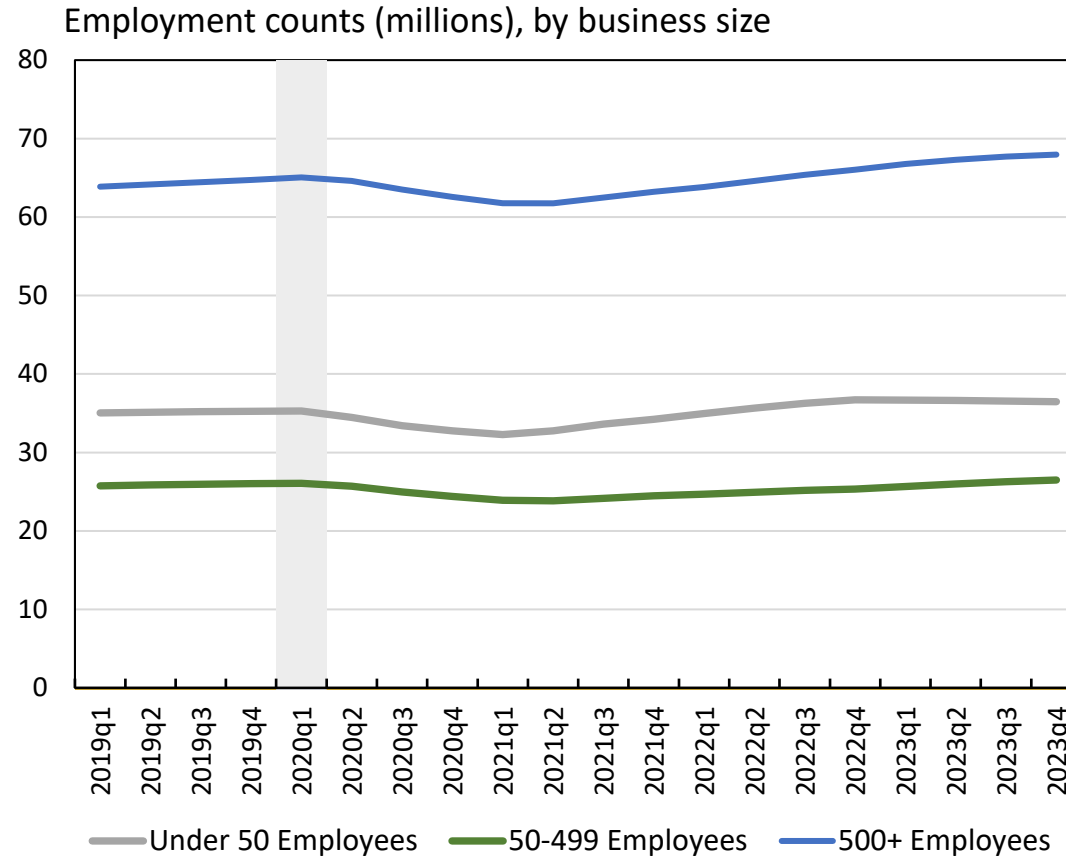
## Takeaways | Employment by Business Size

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- Roughly half (52%) of all workers are employed in large businesses, while over a fourth (28%) of workers are employed in small businesses and a fifth are employed in medium-sized businesses.
- Employment has grown faster at large businesses than at small and medium-sized businesses. Large business employment is more than 6% higher than it was before the pandemic, small business employment is 4% higher and medium-sized businesses' employment is less than 3% higher relative to January 2019.

*\*"Businesses" here refer to firms, as defined in the Quarterly Workforce Indicators (QWI). Firm size is based on the "firm's national employment on March 12th of the previous year (current year for new firms)."*

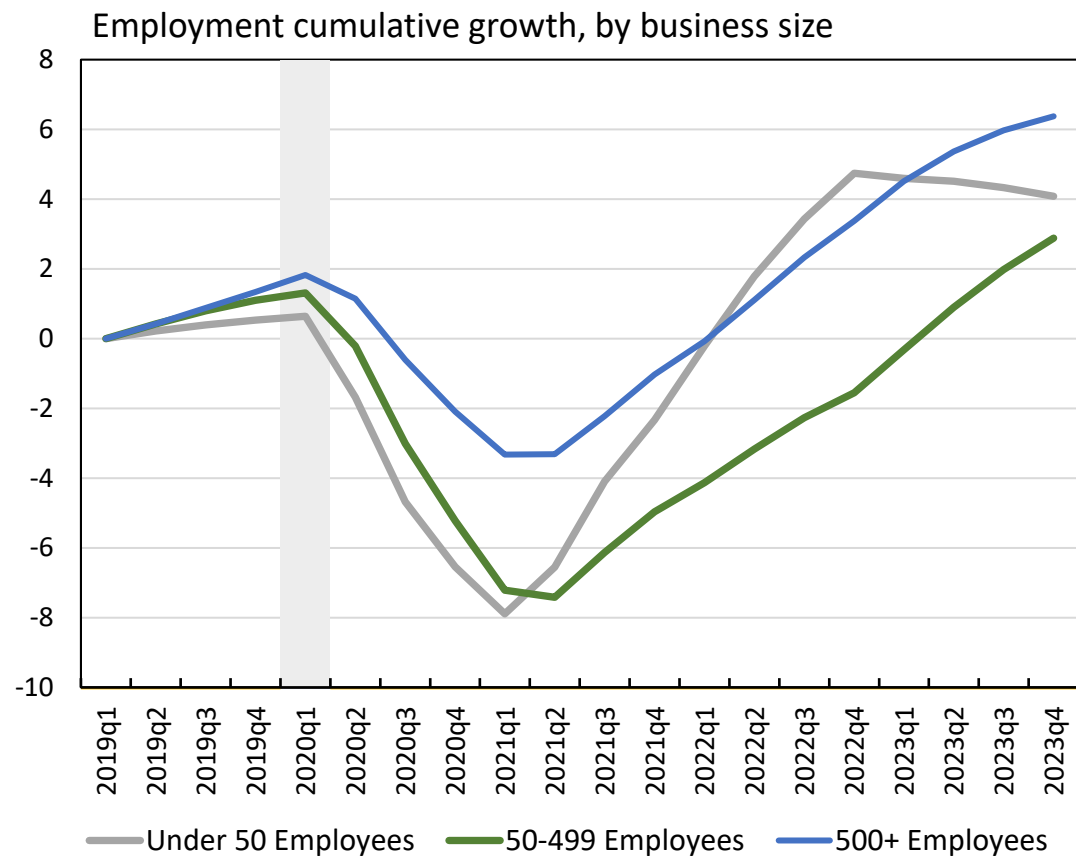
## Employment Count by Business Size



Sources: U.S. Census Bureau, Quarterly Workforce Indicators; authors' calculations; four-quarter moving averages. Employment counts are based on beginning of quarter estimates.

Notes: "Businesses" here refer to firms, as defined in the Quarterly Workforce Indicators (QWI). Firm size is based on the "firm's national employment on March 12th of the previous year (current year for new firms)." Restricted to private firms, for which firm-size data is available.

## Employment Count (Cumulative Growth) by Business Size



Sources: U.S. Census Bureau, Quarterly Workforce Indicators; authors' calculations; four-quarter moving averages. Employment counts are based on beginning of quarter estimates.

Notes: "Businesses" here refer to firms, as defined in the Quarterly Workforce Indicators (QWI). Firm size is based on the "firm's national employment on March 12th of the previous year (current year for new firms)." Restricted to private firms, for which firm-size data is available.

# EMPLOYMENT: UNEMPLOYMENT RATE

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## Takeaways | Unemployment Rate

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- Overall unemployment stands at 3.55% in February 2025, up 0.16 percentage point from a year ago.
- Demographic gaps in unemployment have leveled off close to their pre-pandemic levels. As of February 2025, Black workers have an unemployment rate that is 2.3 percentage points higher than the unemployment rate for white workers, followed by Hispanic workers (0.8) and AAPI workers (0.2).
- In February 2025, workers without a bachelor's degree have an unemployment rate that is 2.2 percentage points higher than that of workers with a bachelor's degree, down from a peak of over 7 percentage points during the summer of 2020, and close to its pre-pandemic level.

*Gaps and all other relevant definitions can be found on the data and methods slide.*

## Takeaways | Unemployment Rate (continued)

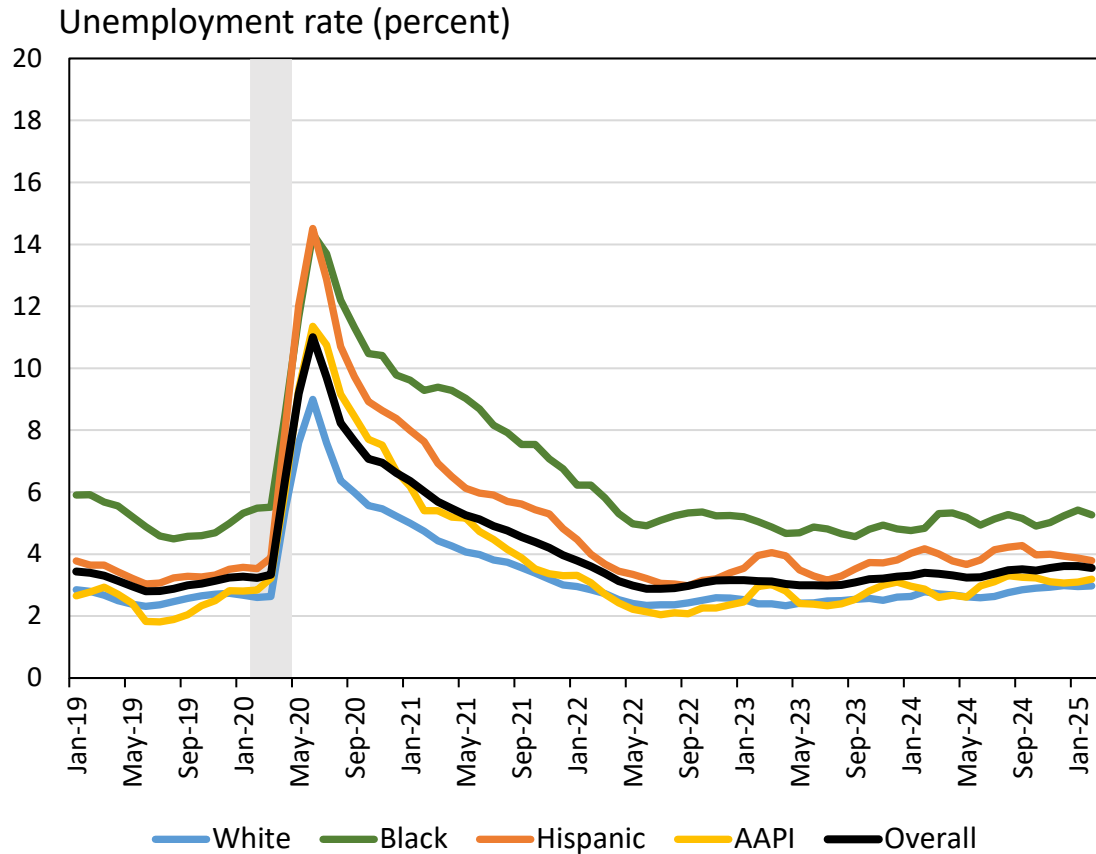
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- The gender unemployment gap is very small, as is the veterans' unemployment gap relative to comparable nonveterans.\* However, Hispanic women have an unemployment rate 1.5 percentage points higher than white men, while Hispanic men have an unemployment rate only 0.2 percentage points higher than white men. The unemployment rates of Black men and women are more similar (about 2 percentage points higher than white men).
- The unemployment rate for workers with any disability is 8.9%, more than double the national average. It ranges from around 5% for workers with a hearing difficulty to 13% for workers with a care difficulty.

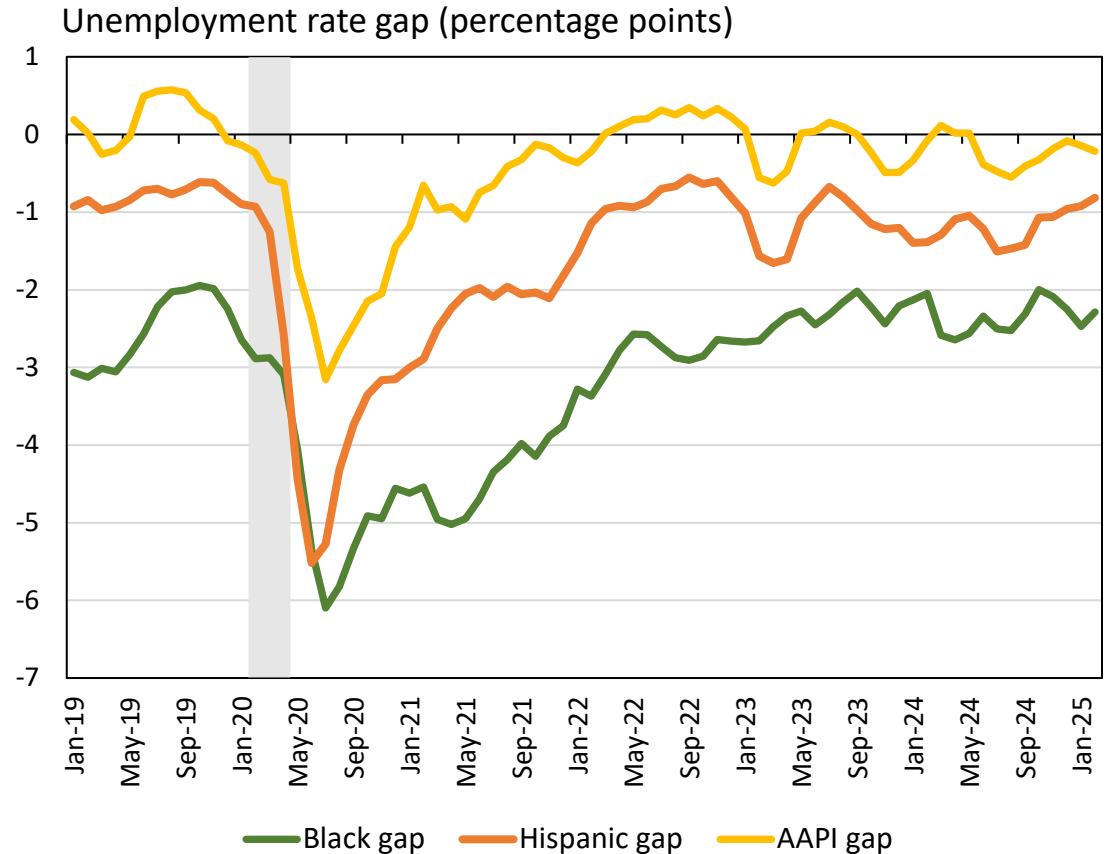
*Gaps and all other relevant definitions can be found on the data and methods slide.*



## Unemployment Rate by Race/Ethnicity

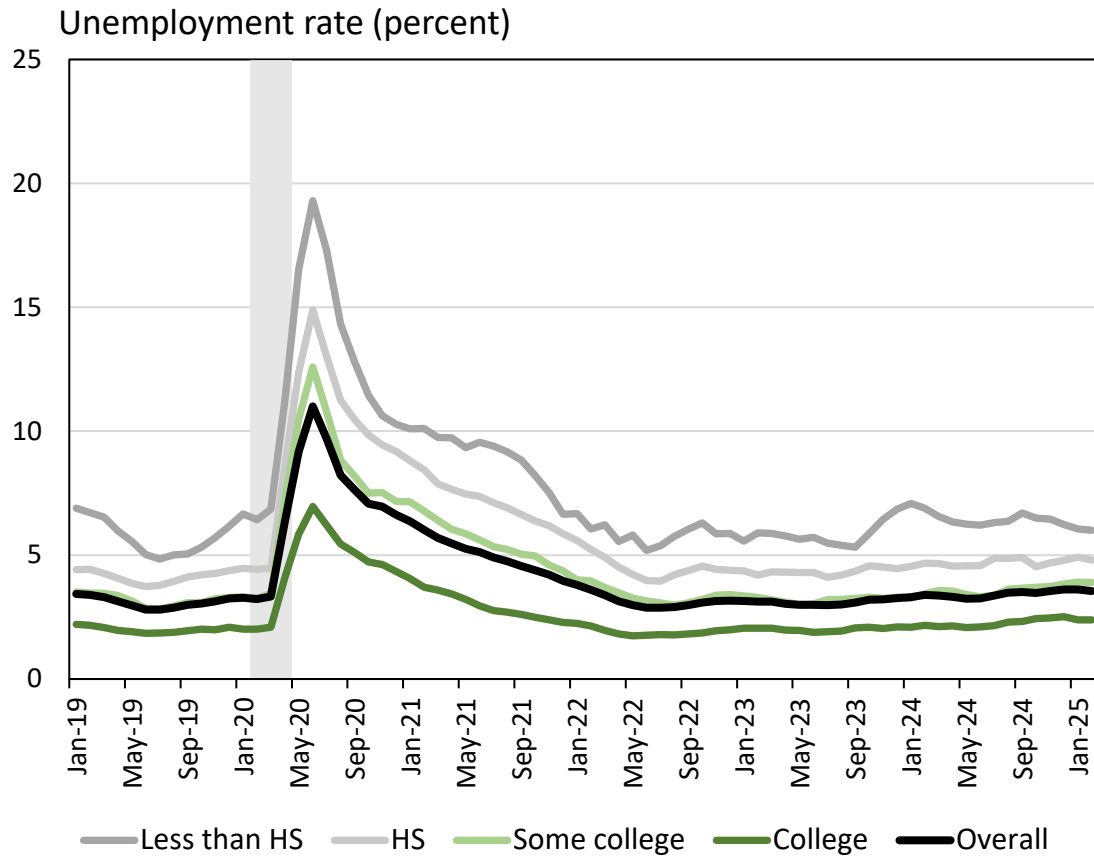


Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.



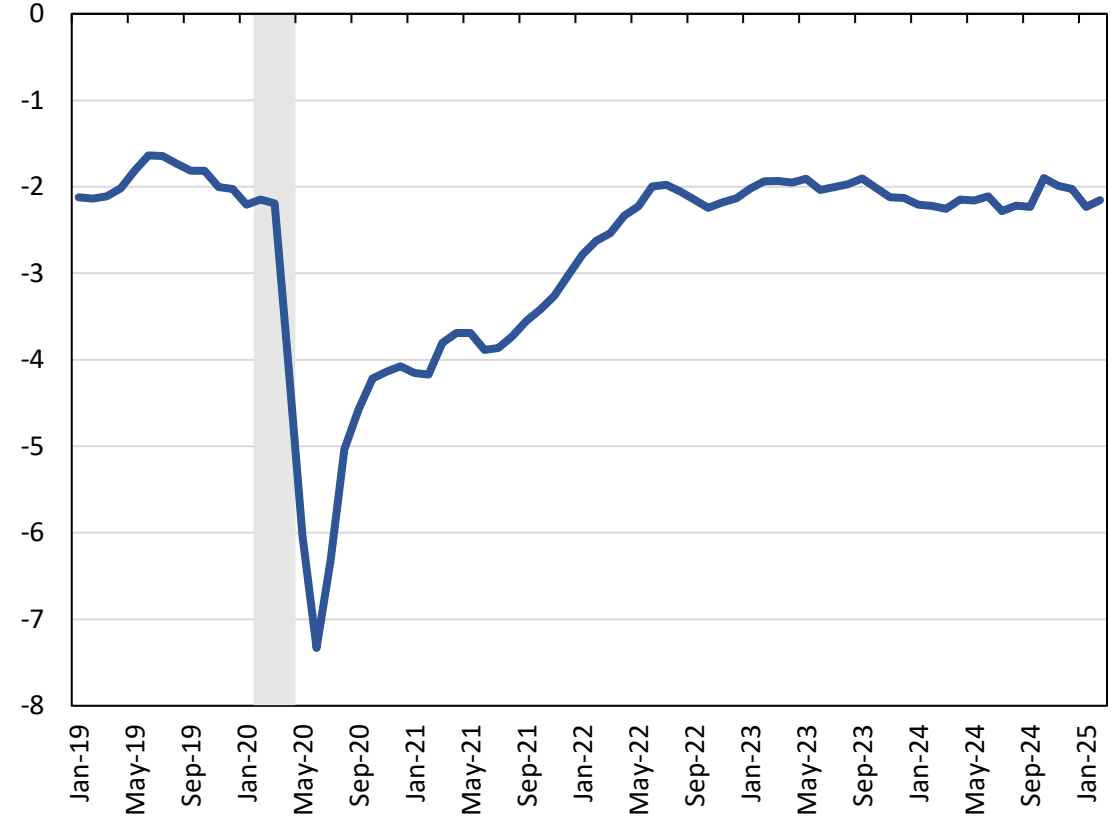
Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. The racial gaps are defined as the unemployment rate of white workers minus the unemployment rate of the given race or ethnicity.

## Unemployment Rate by Education



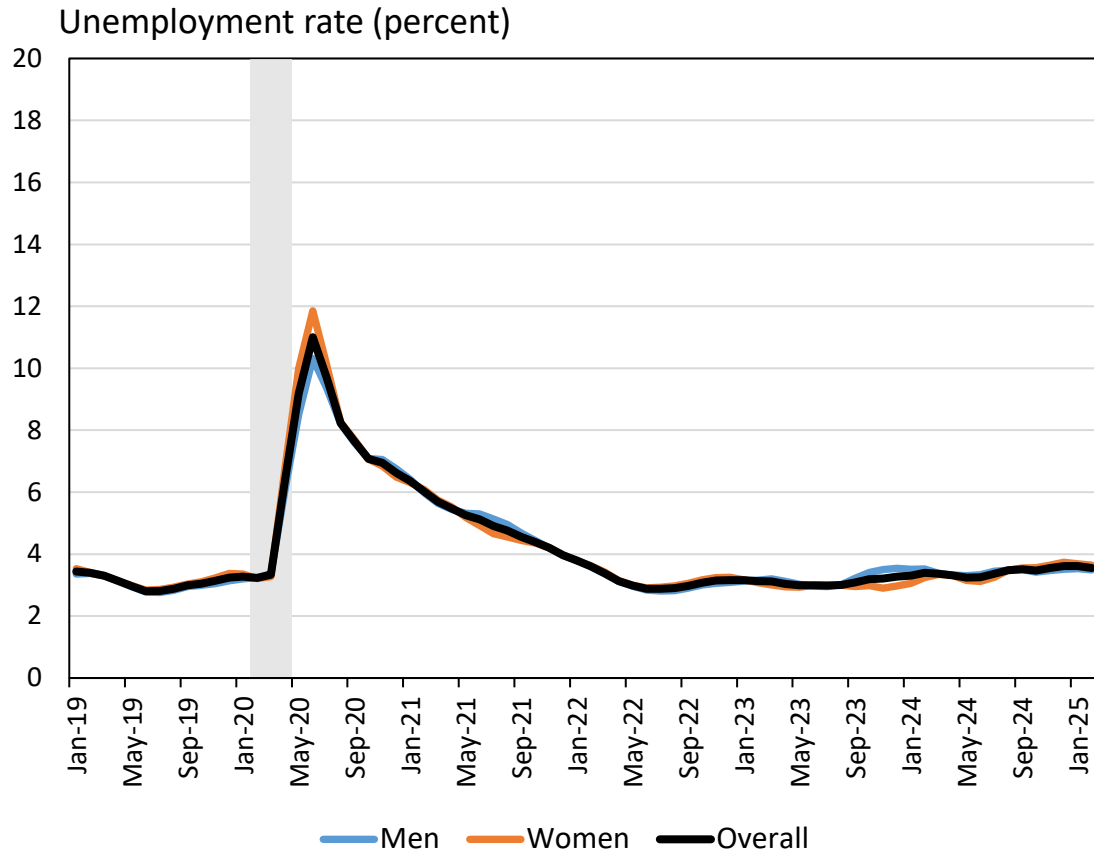
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College unemployment rate gap (percentage points)

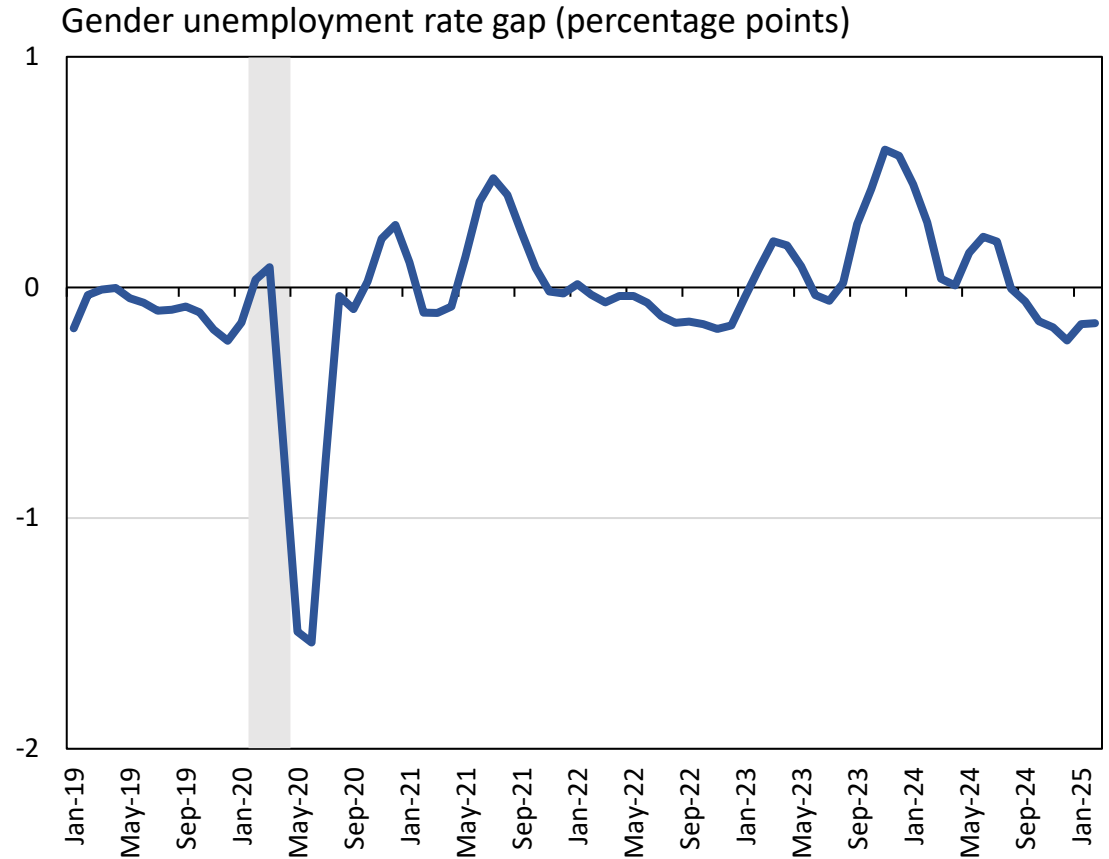


Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. The college gap is the unemployment rate of workers with a bachelor's degree minus the unemployment rate of workers without one.

## Unemployment Rate by Gender



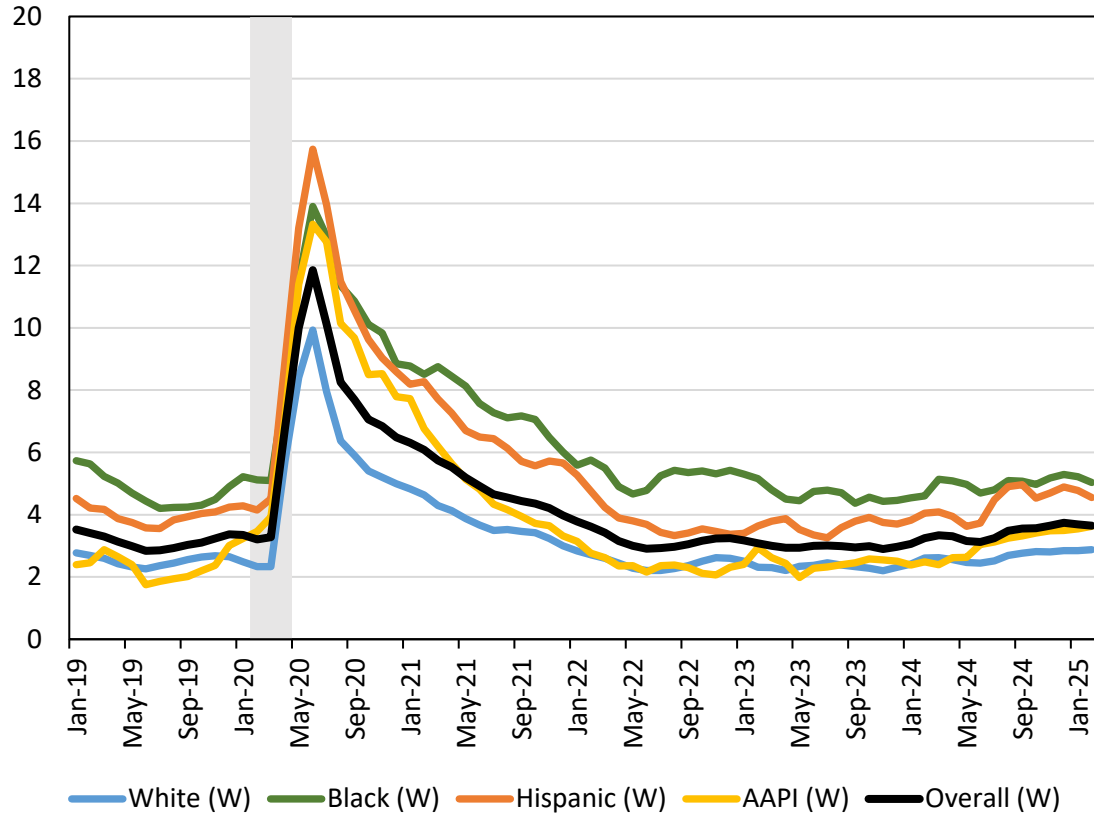
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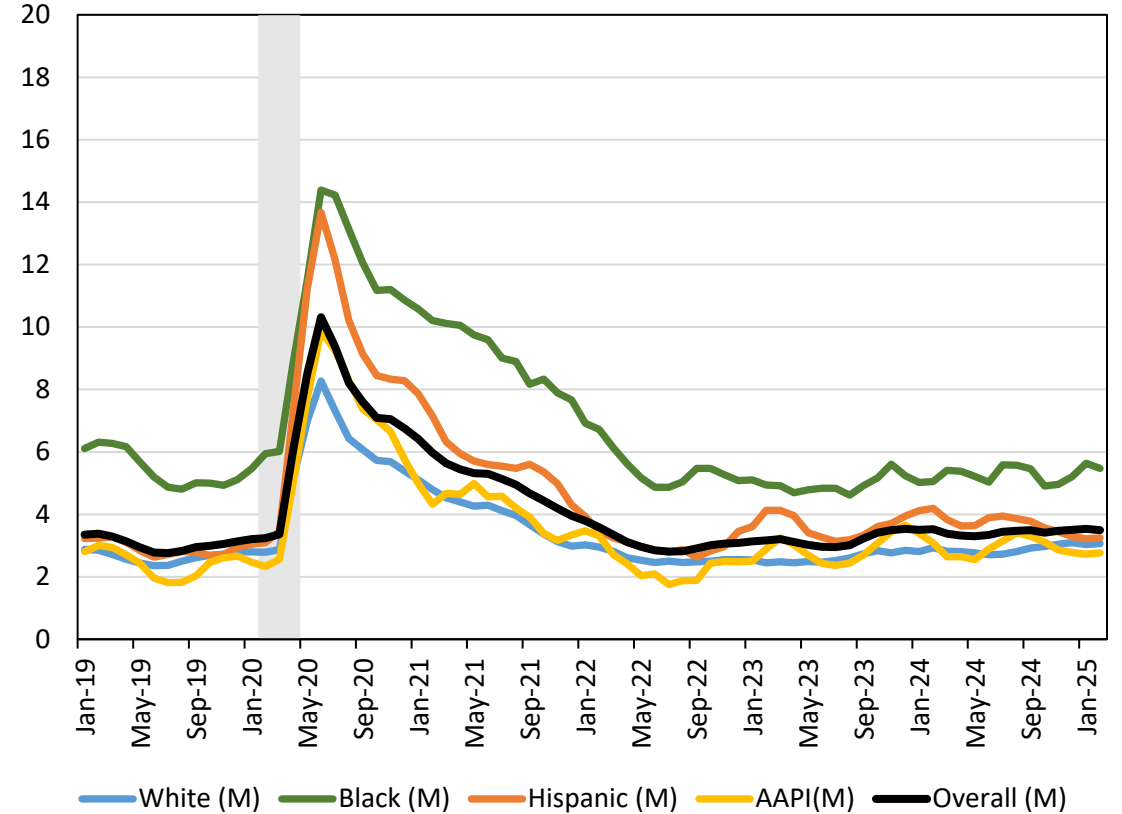
Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. The gender gap is defined as the unemployment rate of men minus the unemployment rate of women.

## Unemployment Rate by Race x Gender

Unemployment rate (percent), women



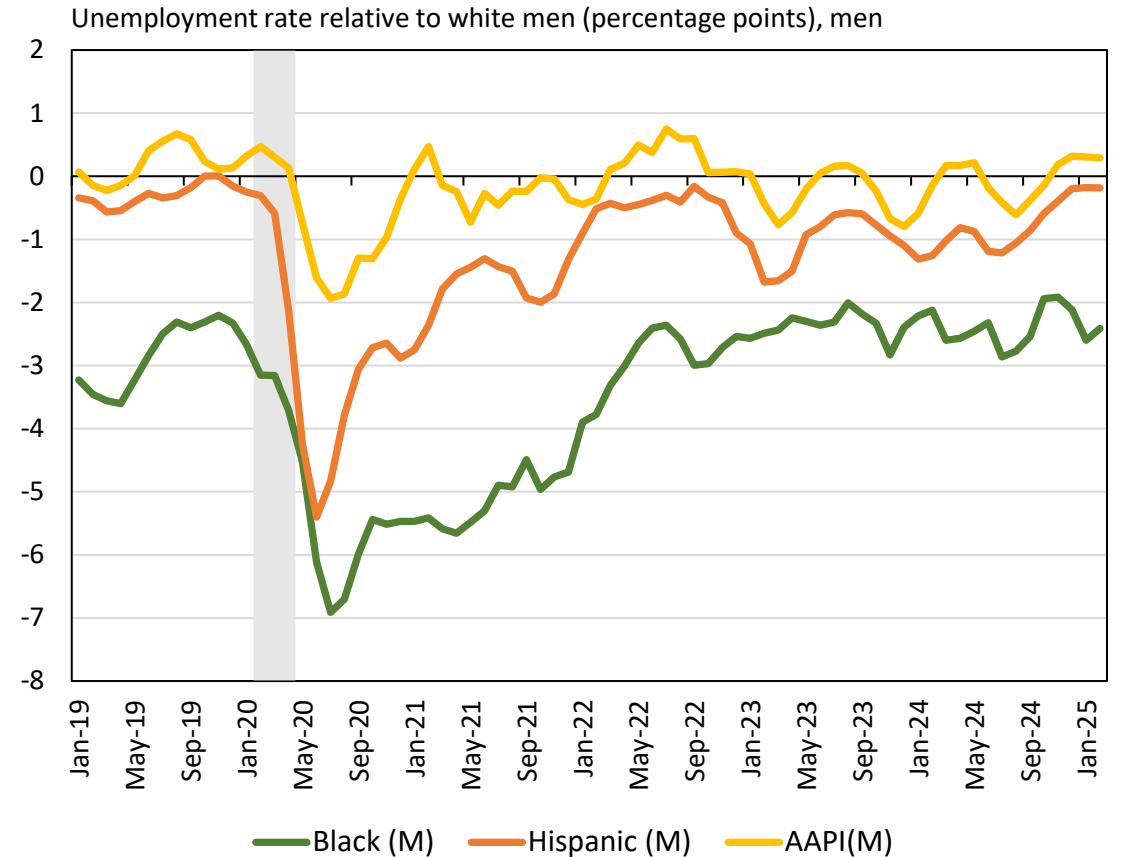
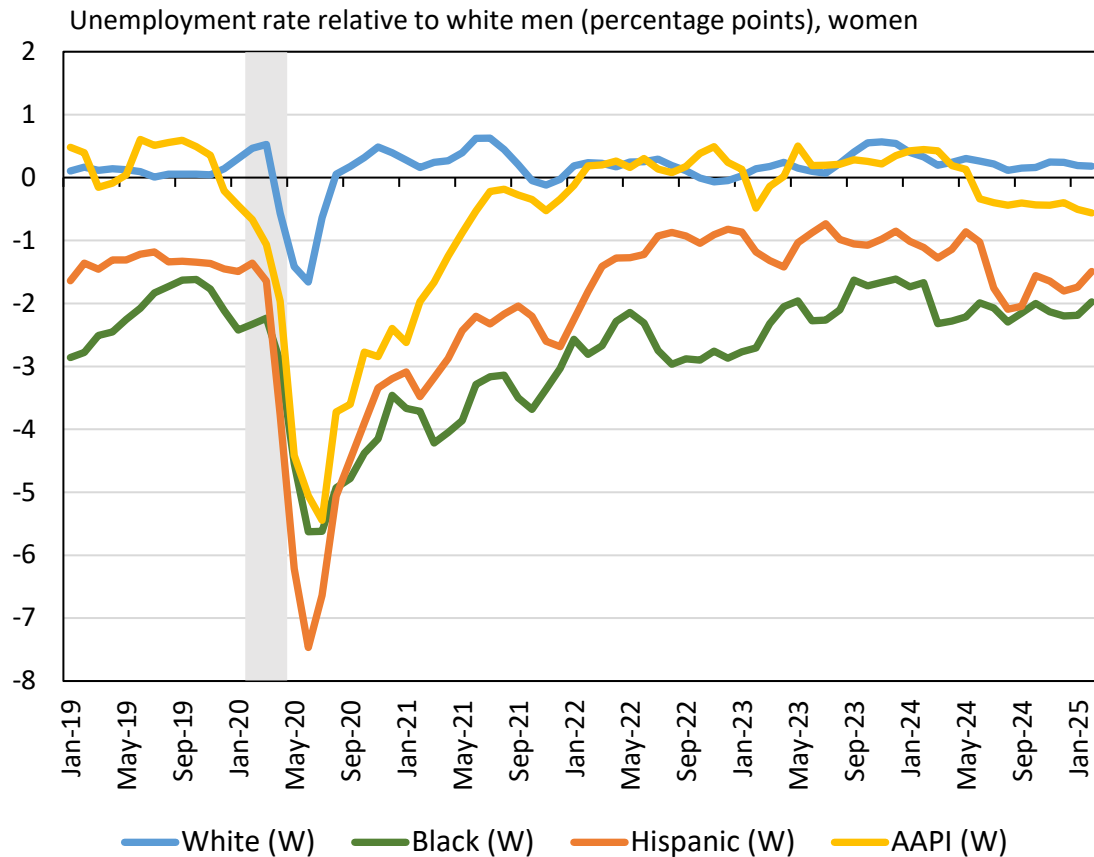
Unemployment rate (percent), men



Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

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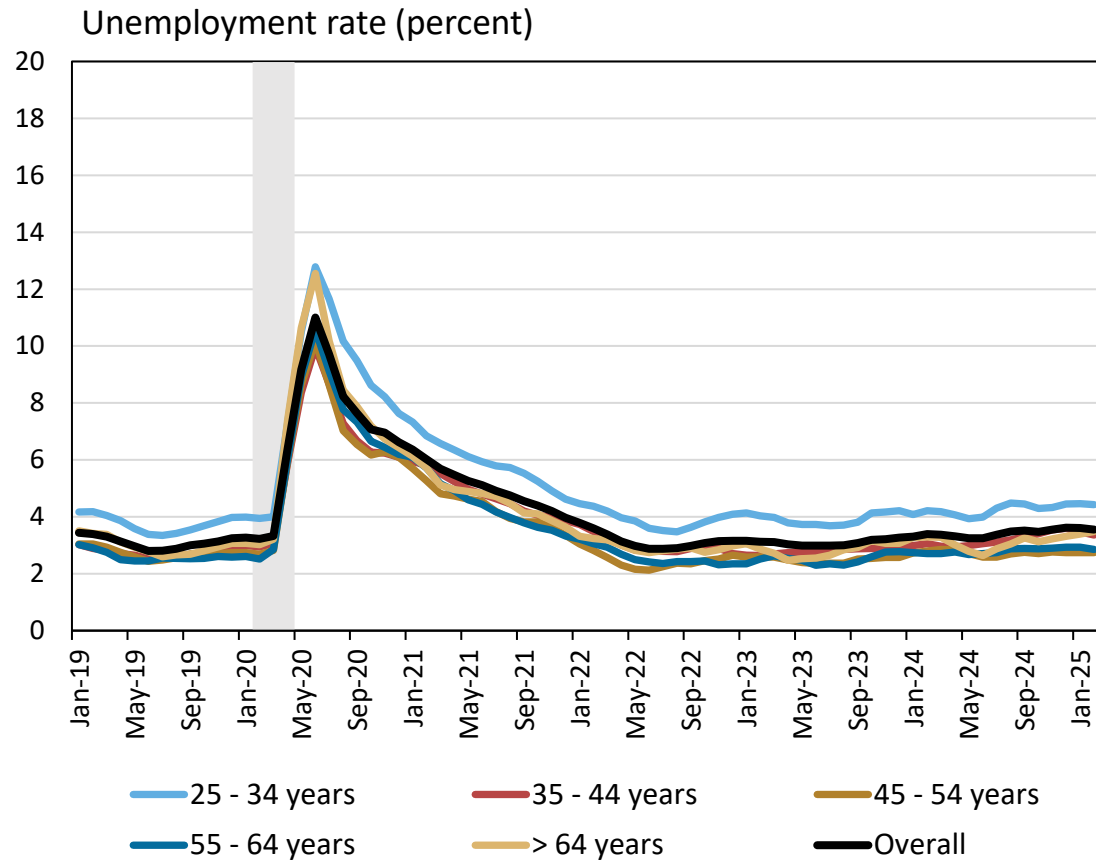
## Unemployment Rate Gaps by Race x Gender



Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

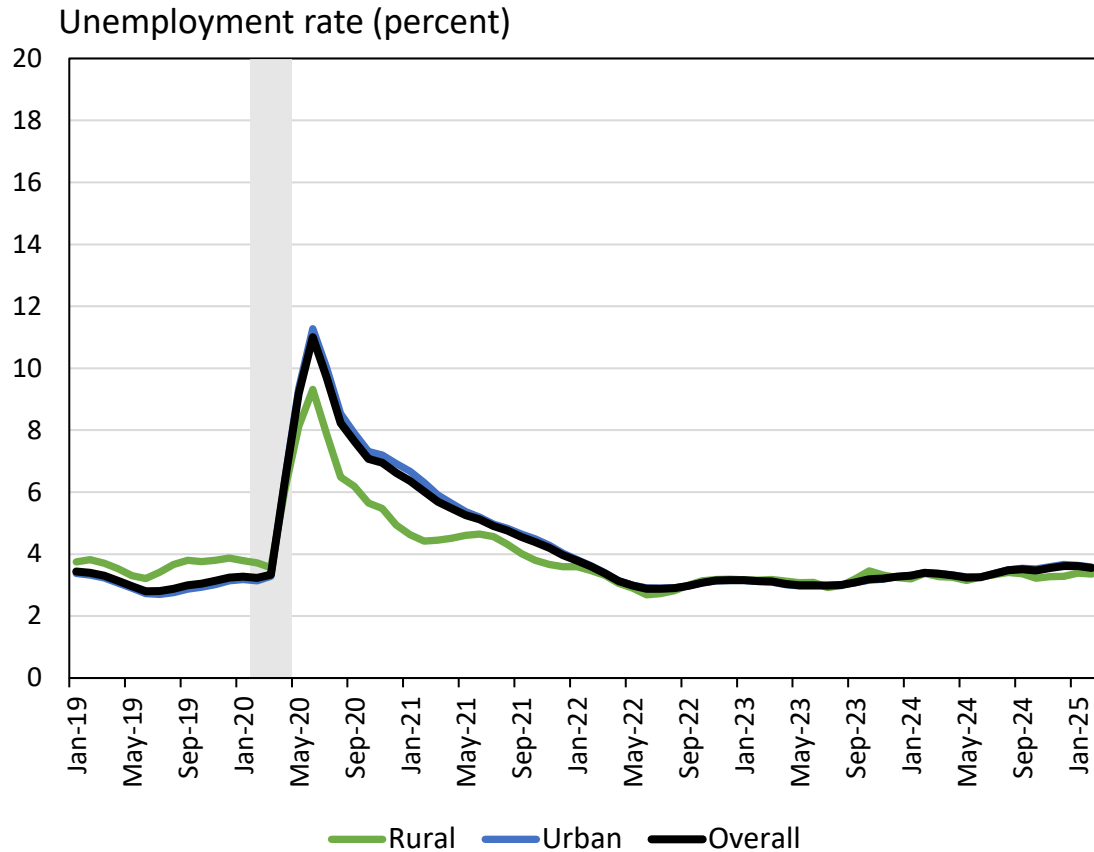
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## Unemployment Rate by Age



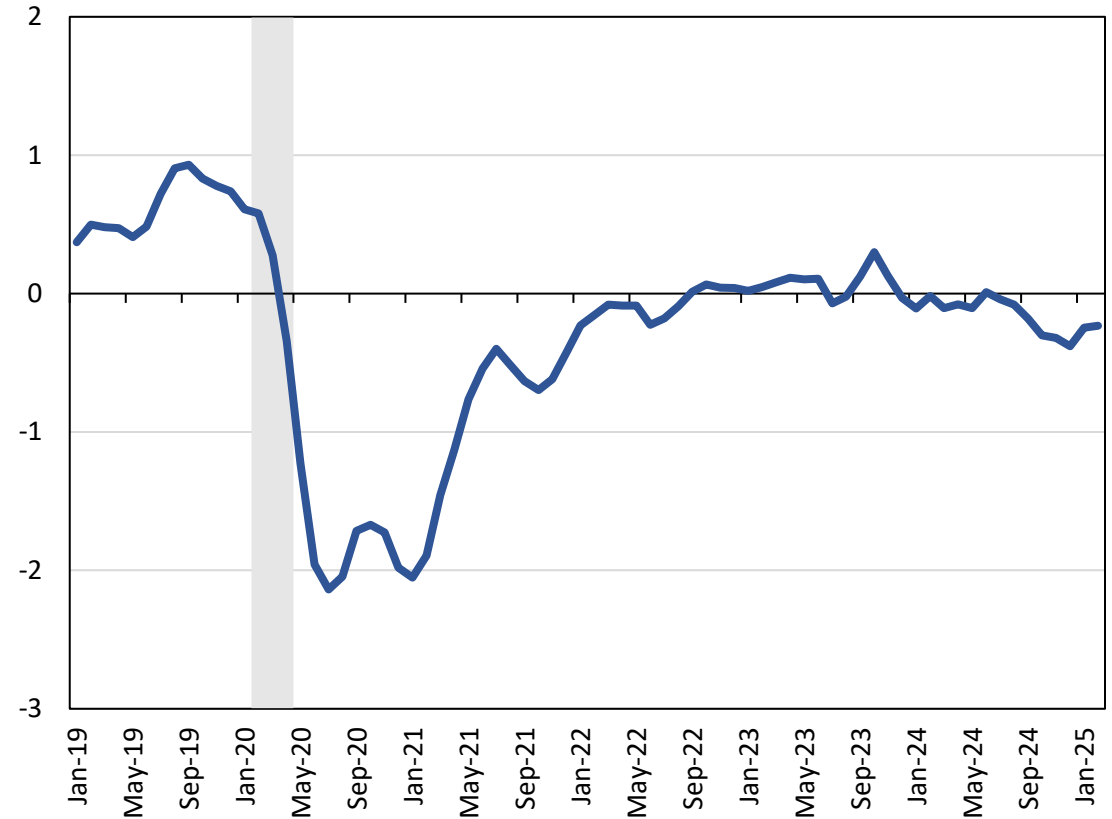
Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.  
 Notes: Overall line uses prime-age (25-54) sample. Shaded region indicates the COVID-19 recession.

## Unemployment Rate by Urban Status



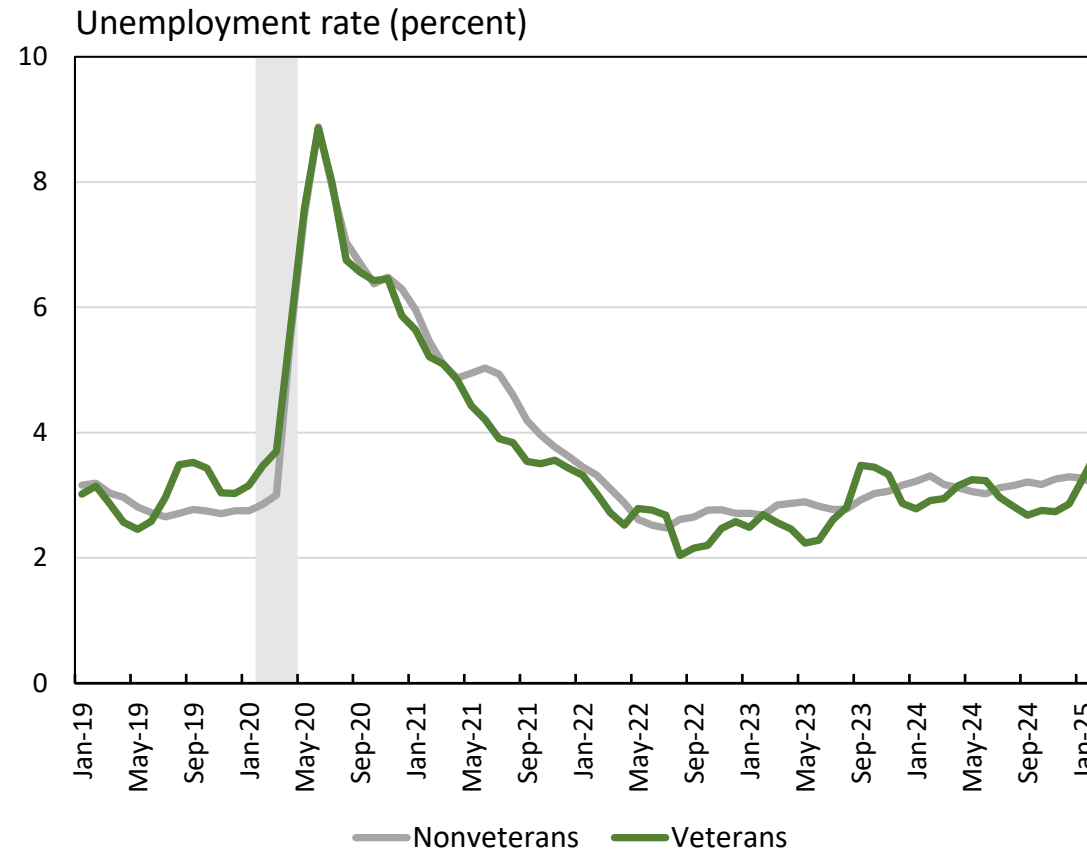
Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

Urban unemployment gap (percentage points)



Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. The rural gap is the unemployment rate of urban workers minus the unemployment rate of rural workers.

## Unemployment Rate by Veteran Status

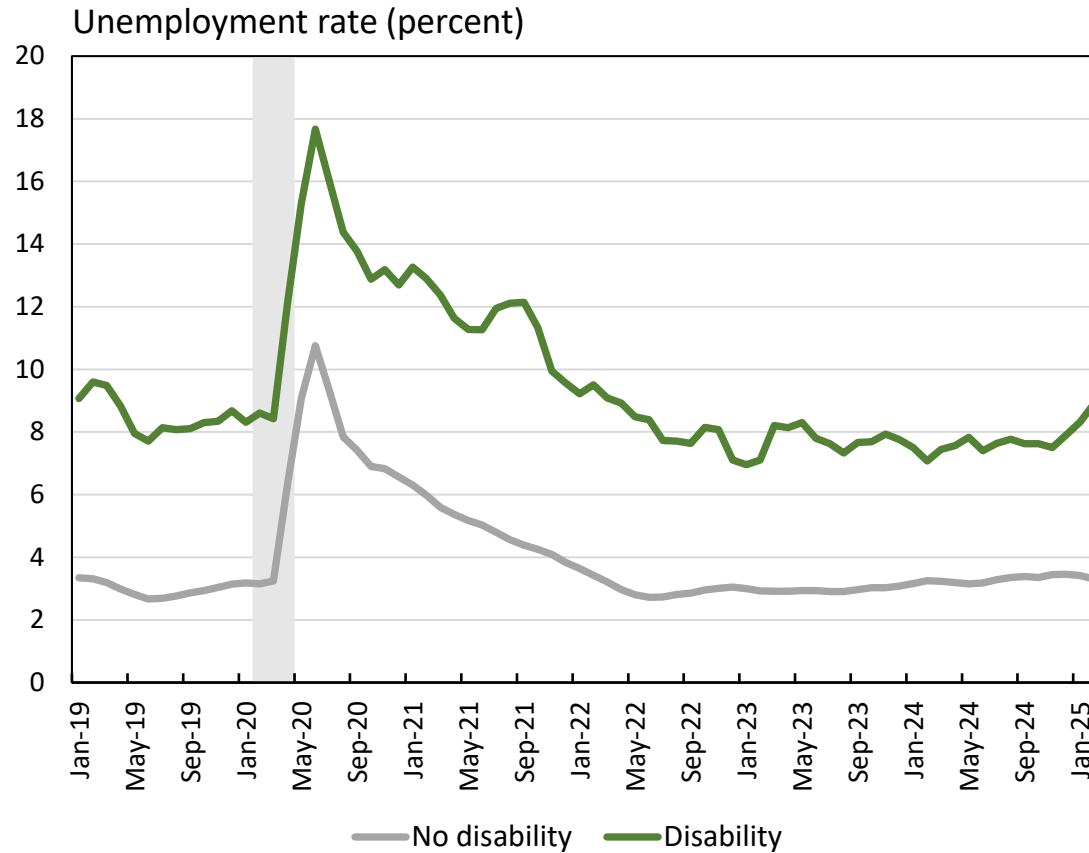


Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

Notes: Restricted to men, 25-55, with at least a high school diploma. Shaded region indicates the COVID-19 recession.



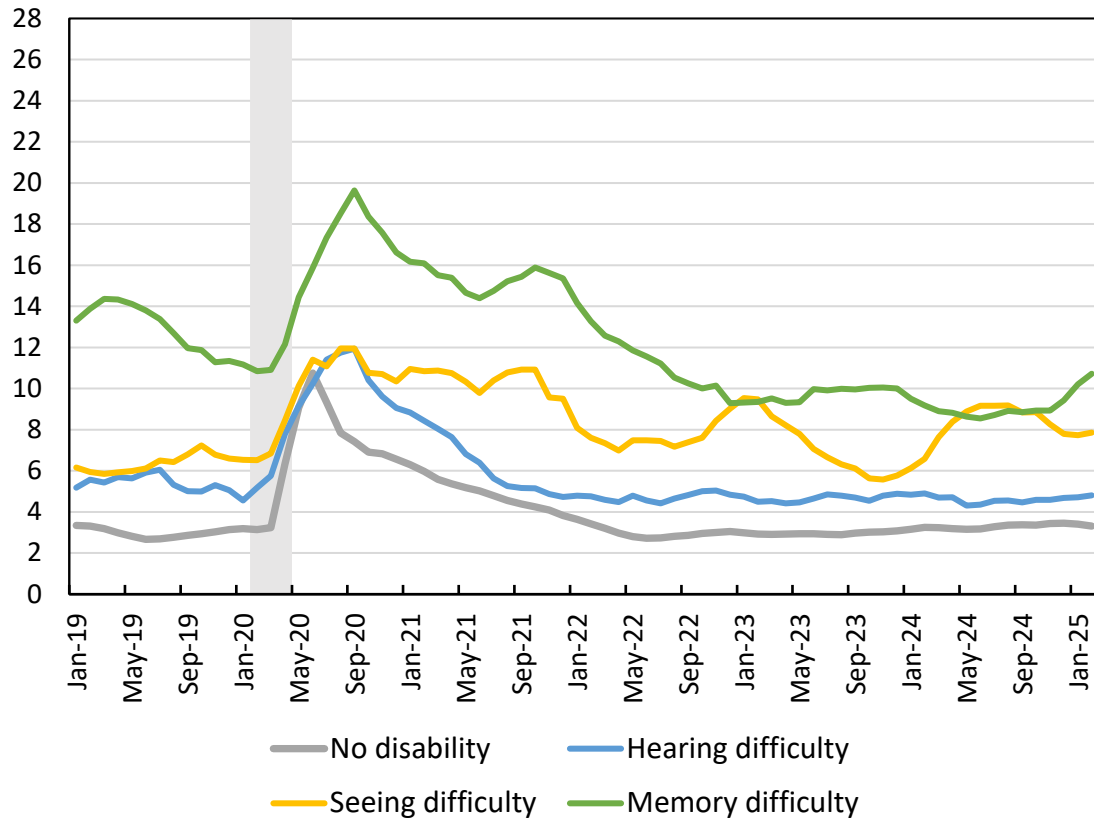
## Unemployment Rate by Disability



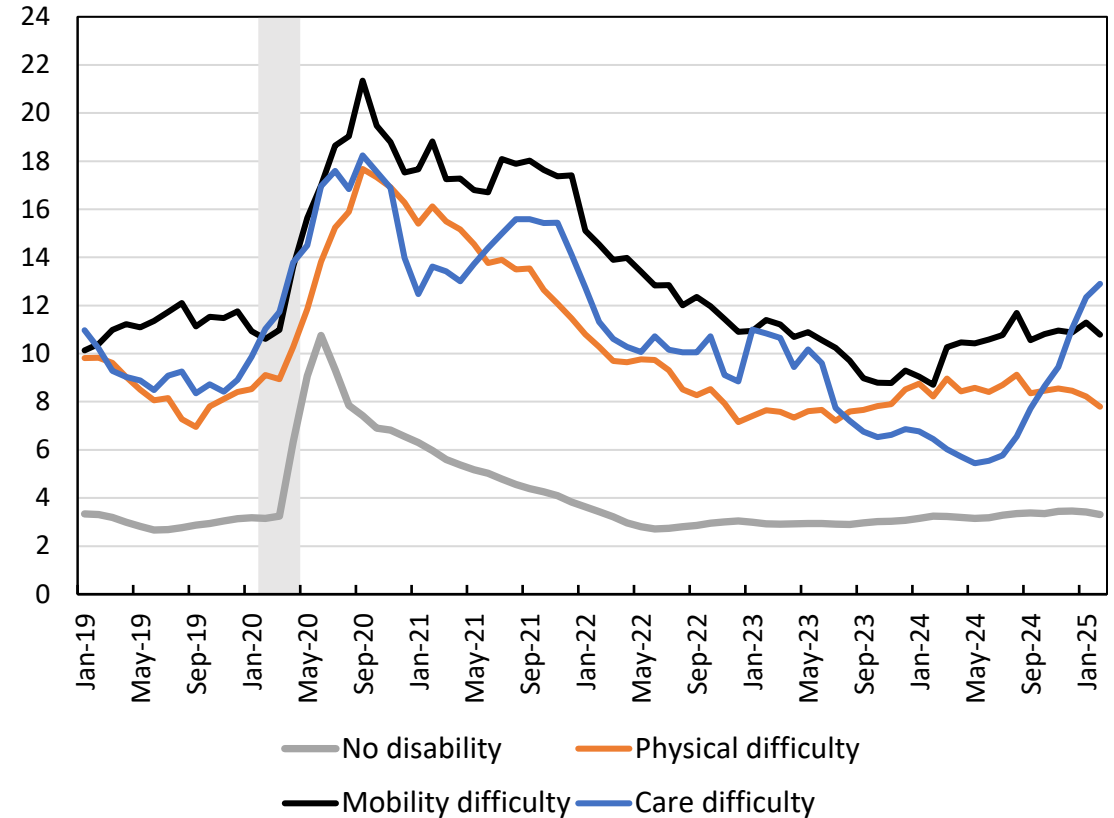
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 Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession.

## Unemployment Rate by Specific Disability

Unemployment rate (percent): non-physical disabilities



Unemployment rate (percent): physical disabilities



Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations. Series broken down by specific disability are six-month moving averages, while the "no disability" series is a three-month moving average. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. A care difficulty is a physical or mental condition that makes it challenging for individuals to take care of their own personal needs.

A group of five diverse people are seated around a table in a meeting room. One person on the right is in a wheelchair. The scene is dimly lit with large windows in the background. The text is overlaid on the center of the image.

# EMPLOYMENT: LABOR FORCE PARTICIPATION

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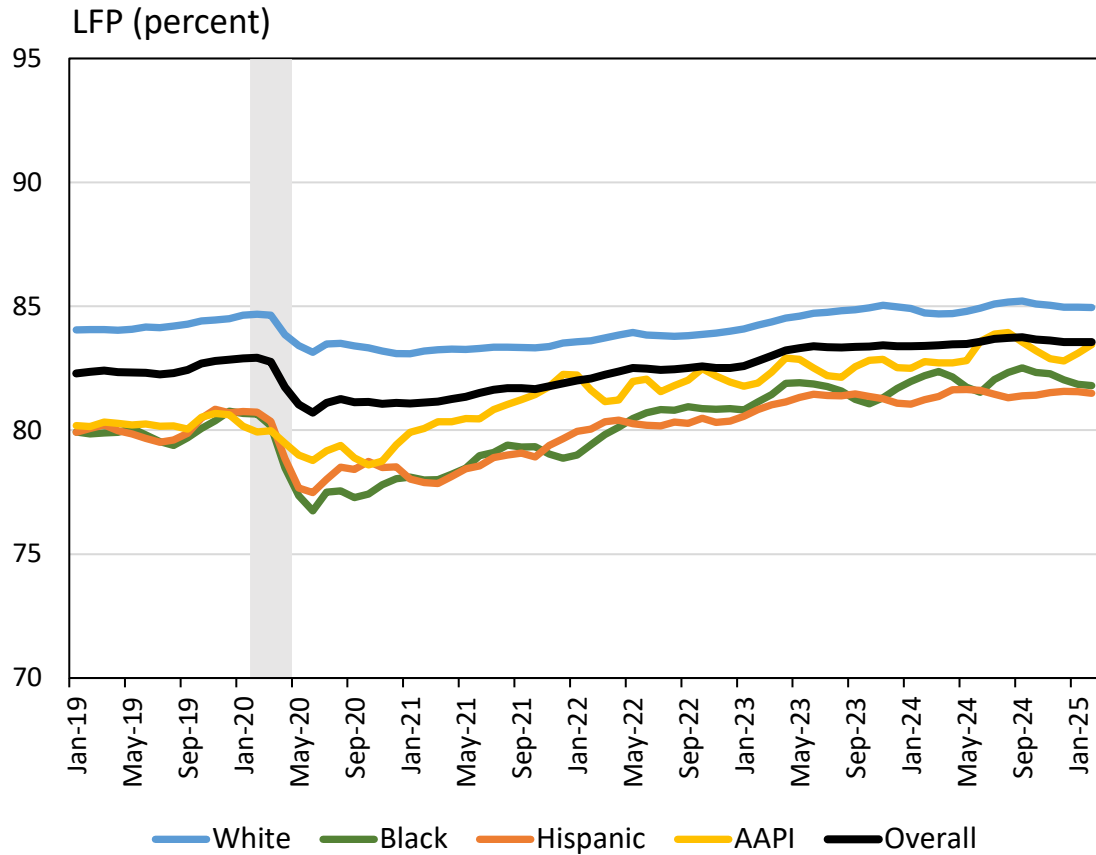
## Takeaways | Labor Force Participation

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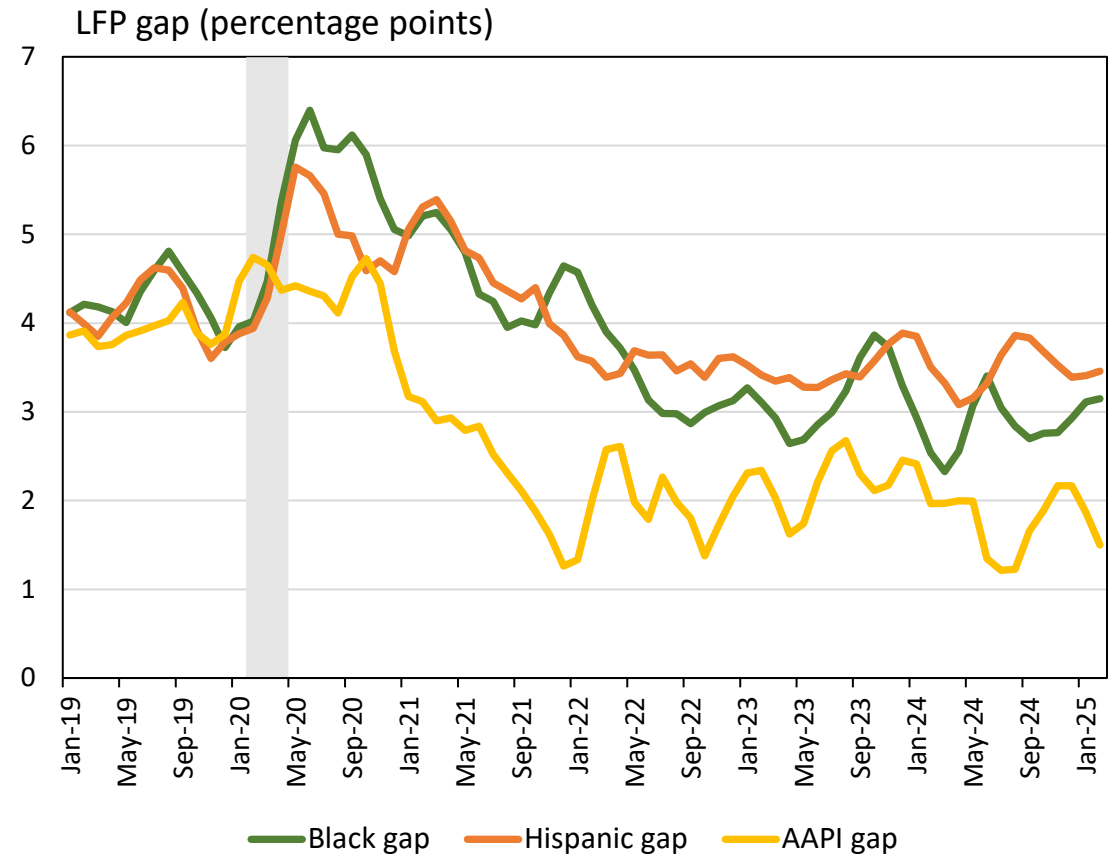
- Overall labor force participation (LFP) is slightly above its pre-pandemic level (83.6% in February 2025).
- LFP gaps tend to be similar in levels and trends to employment gaps. In particular, the rise in the employment gap for Black men relative to white men is mirrored by a rise in the LFP gap for Black men.
- The college LFP gap stands at 10.7 percentage points, above its pre-pandemic level, while the rural LFP gap is roughly at its pre-pandemic level. Racial and gender LFP gaps remain below their pre-pandemic levels, although the LFP gap for Black men is rising.
- The LFP rate of veterans remains below the LFP rate of comparable nonveterans.\*
- Only 50.0% of workers with disabilities are in the labor force, compared to over 86% of workers without disabilities. The LFP rate ranges from 64% for workers with hearing difficulty to 17% for workers with care difficulty.

*Gaps and all other relevant definitions can be found on the data and methods slide.*

## Labor Force Participation by Race/Ethnicity

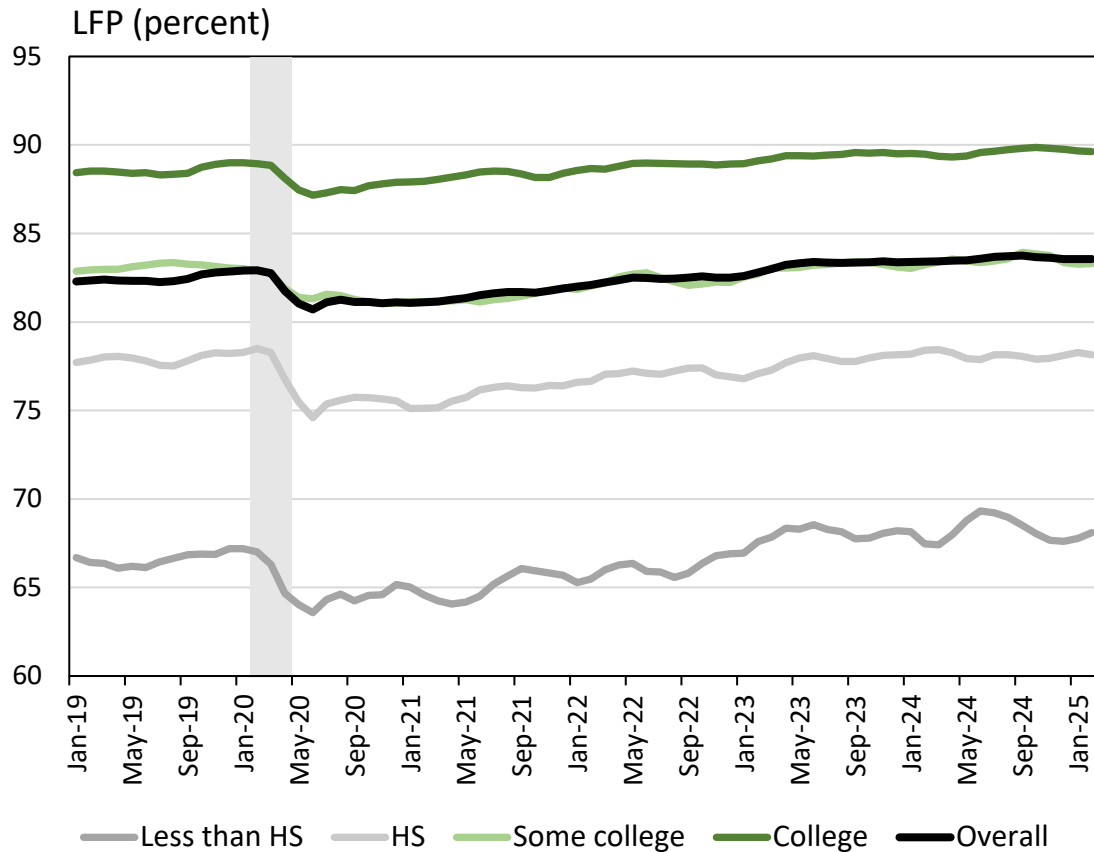


Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

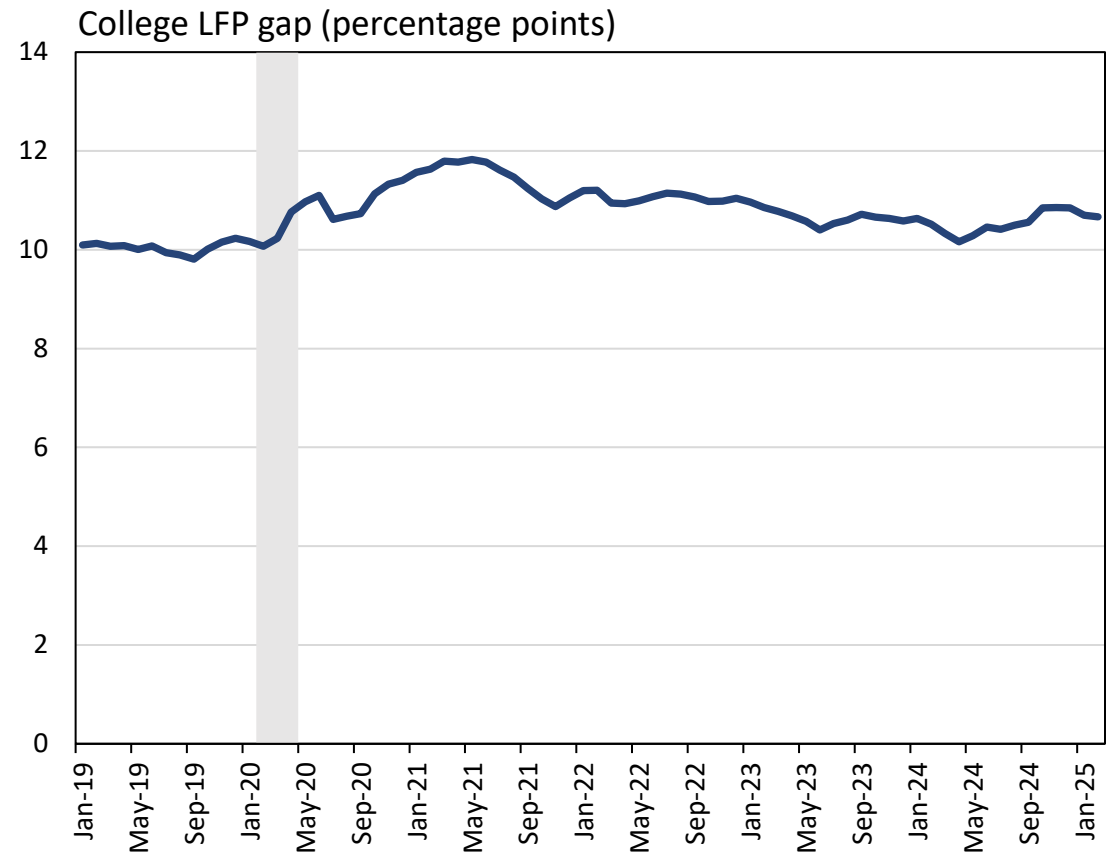


Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. The racial gaps are defined as the LFP of white workers minus the LFP of the given race or ethnicity.

## Labor Force Participation by Education

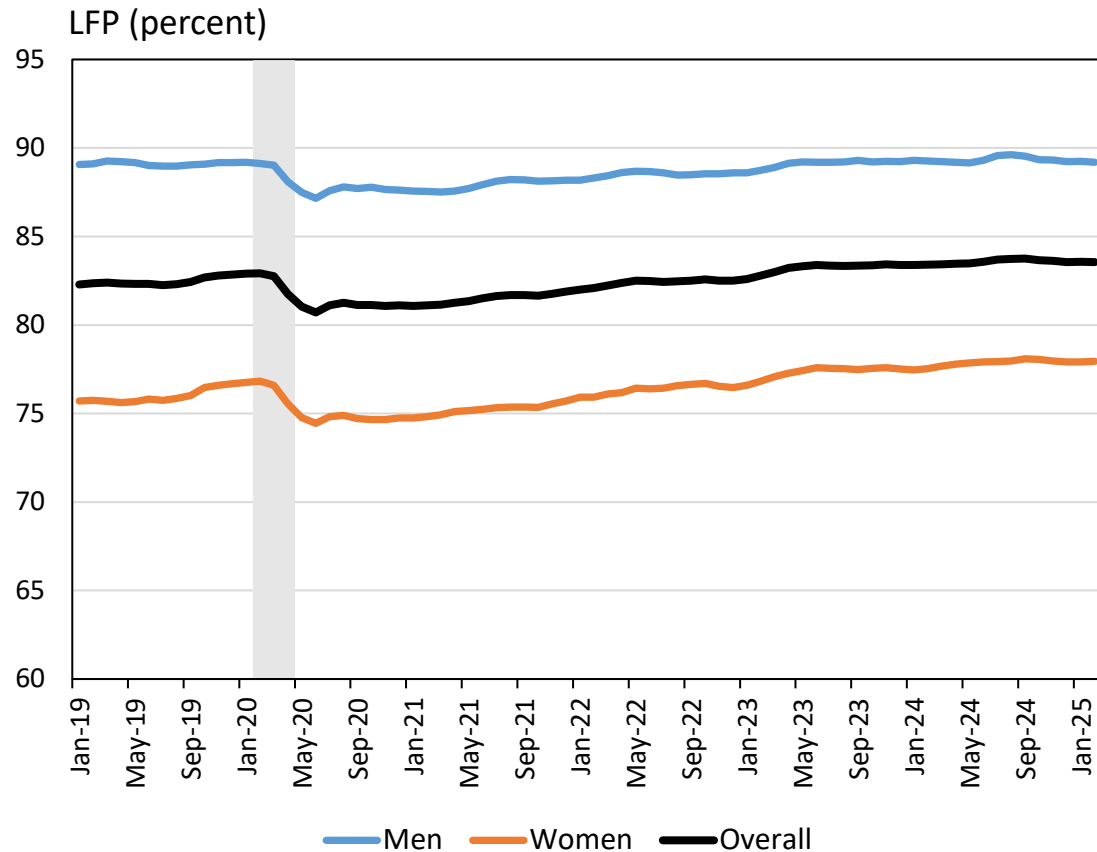


Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

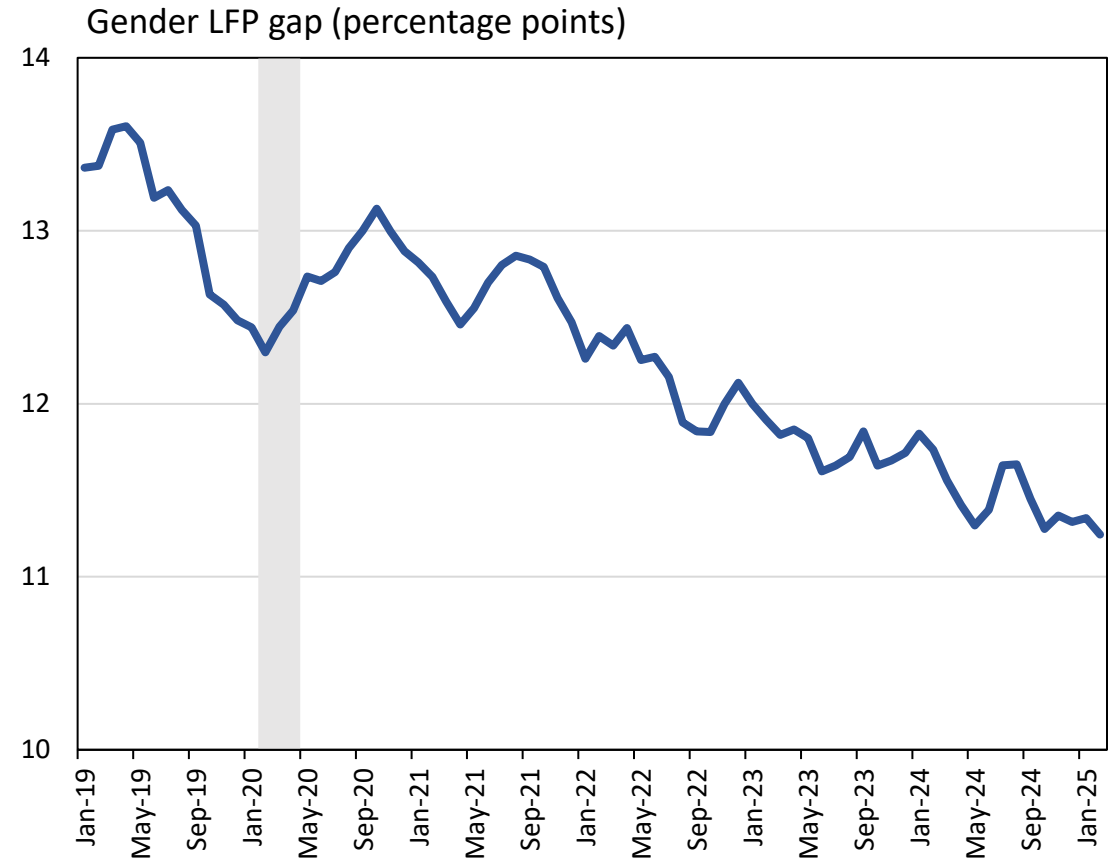


Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. The college gap is the LFP of workers with a bachelor's degree minus the LFP of workers without one.

## Labor Force Participation by Gender

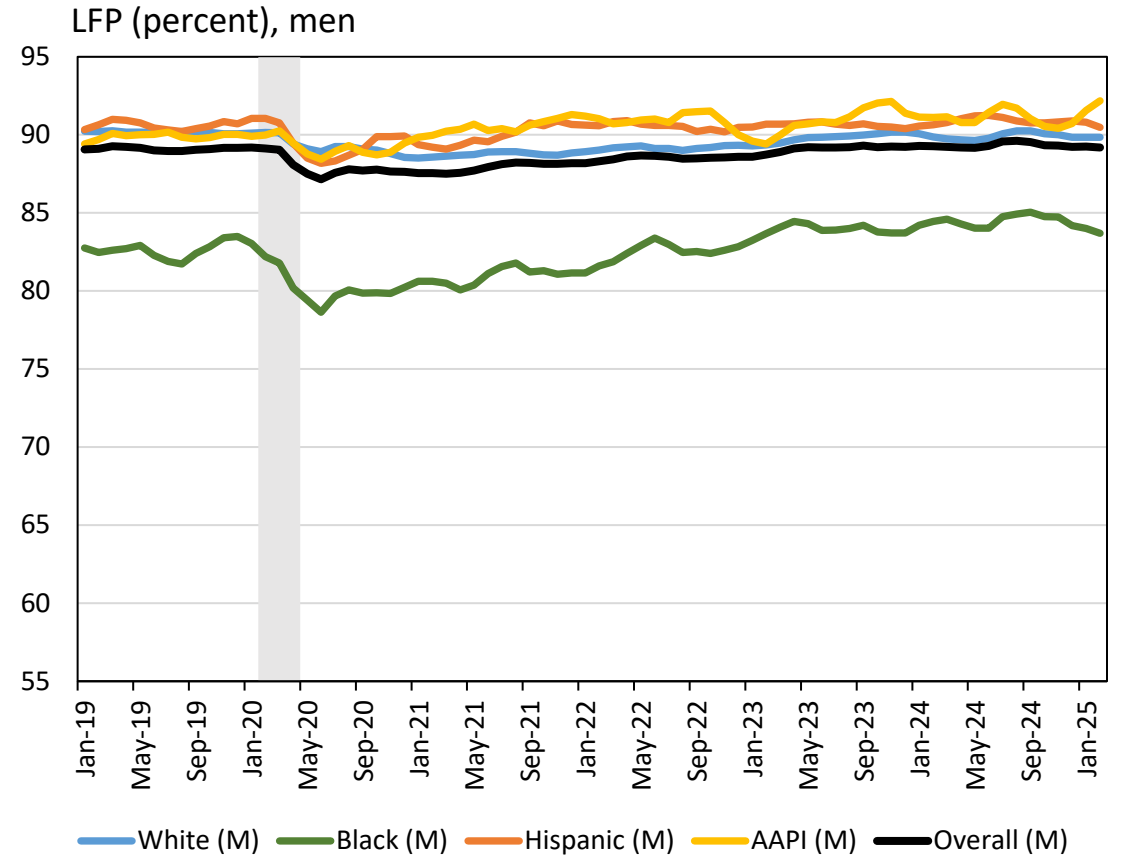
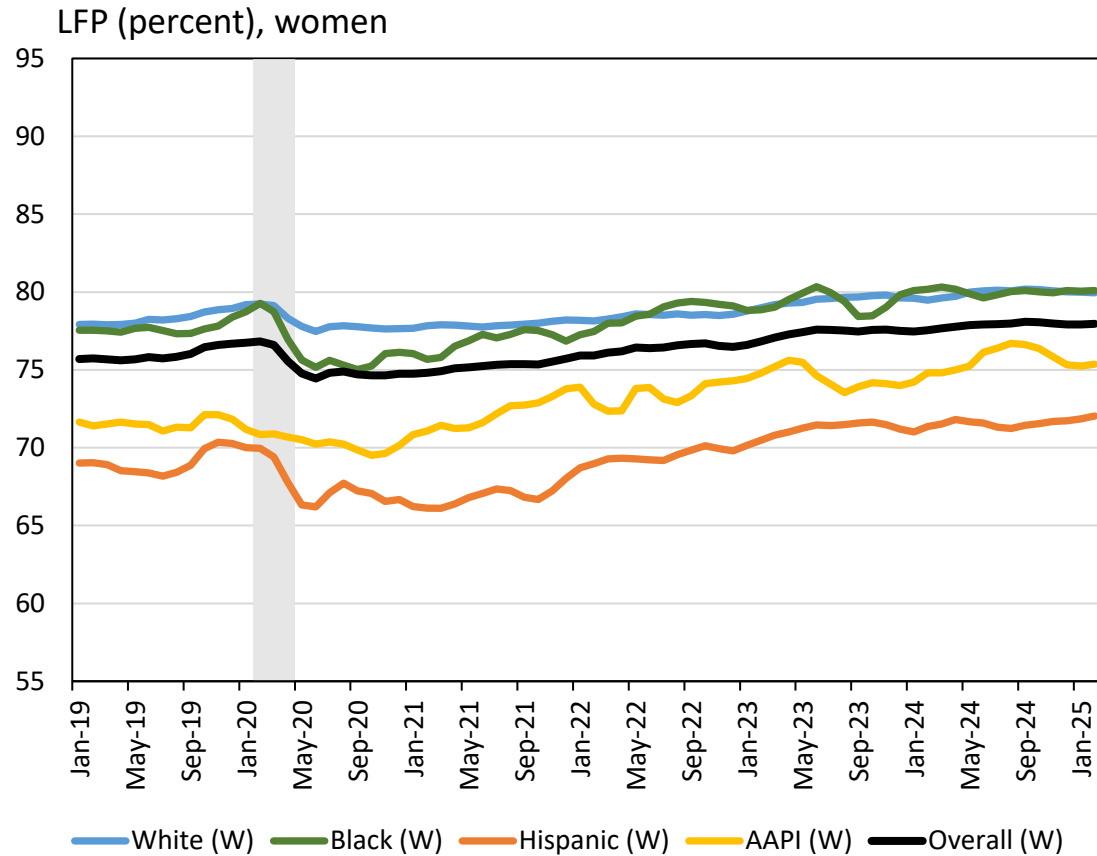


Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.



Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. The gender gap is defined as the LFP of men minus the LFP of women.

## Labor Force Participation by Race x Gender

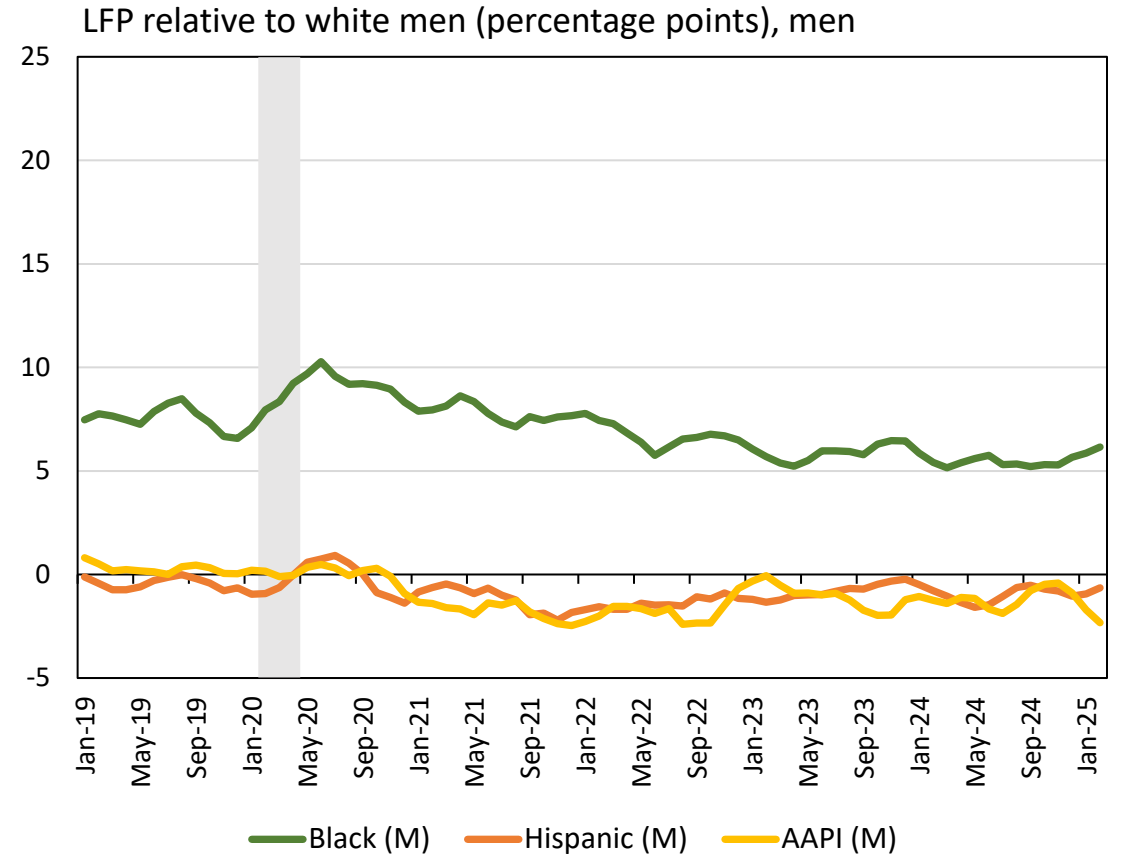
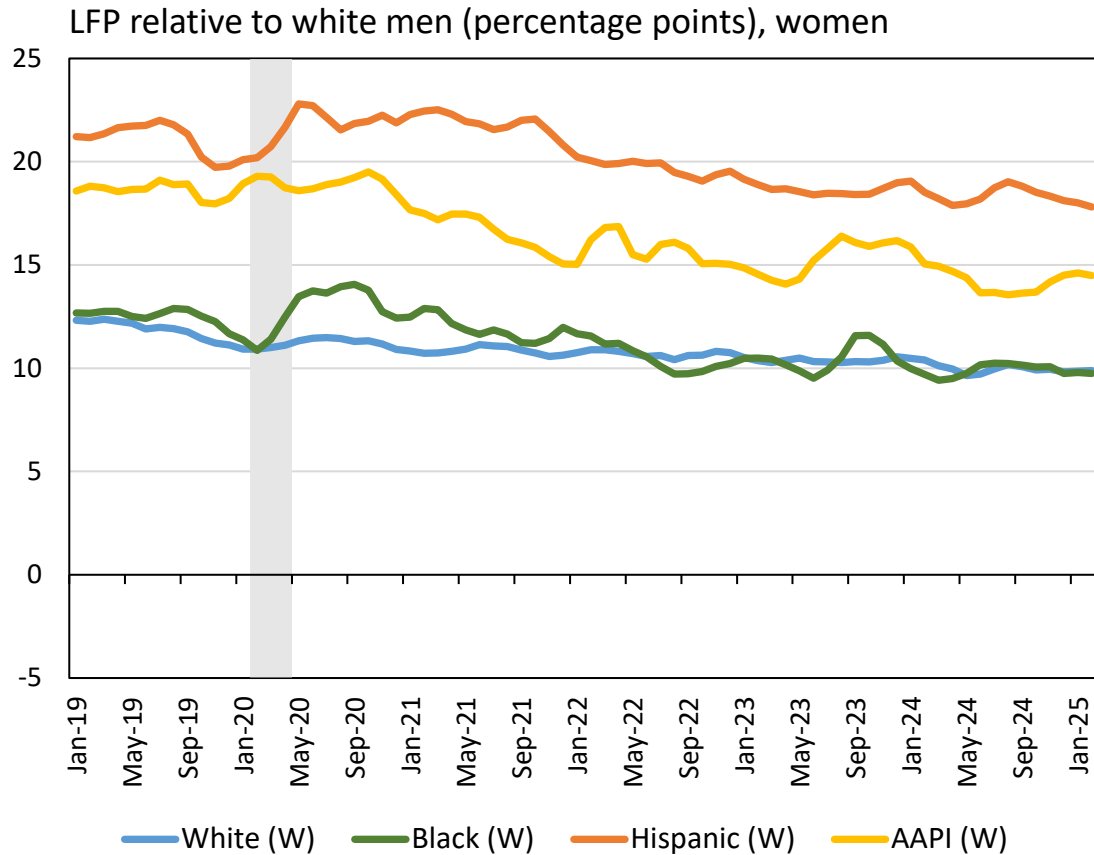


Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession.



## Labor Force Participation Gaps by Race x Gender

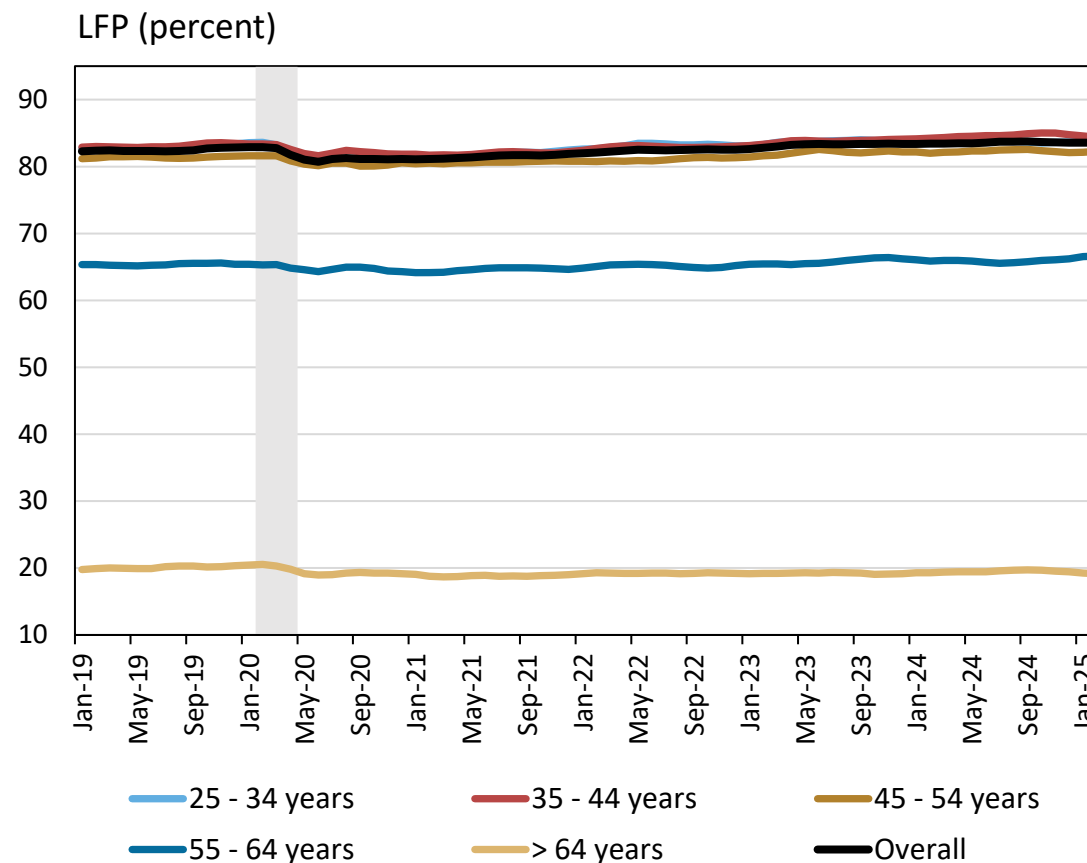


Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession.

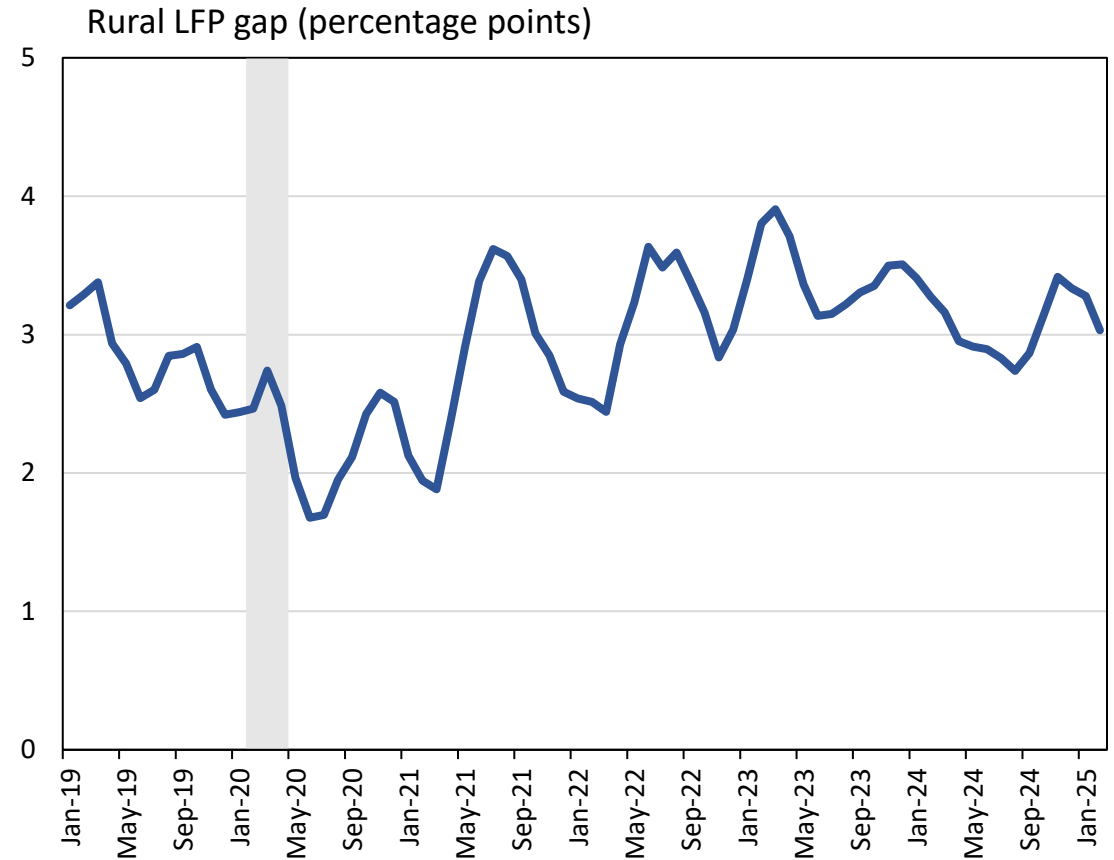
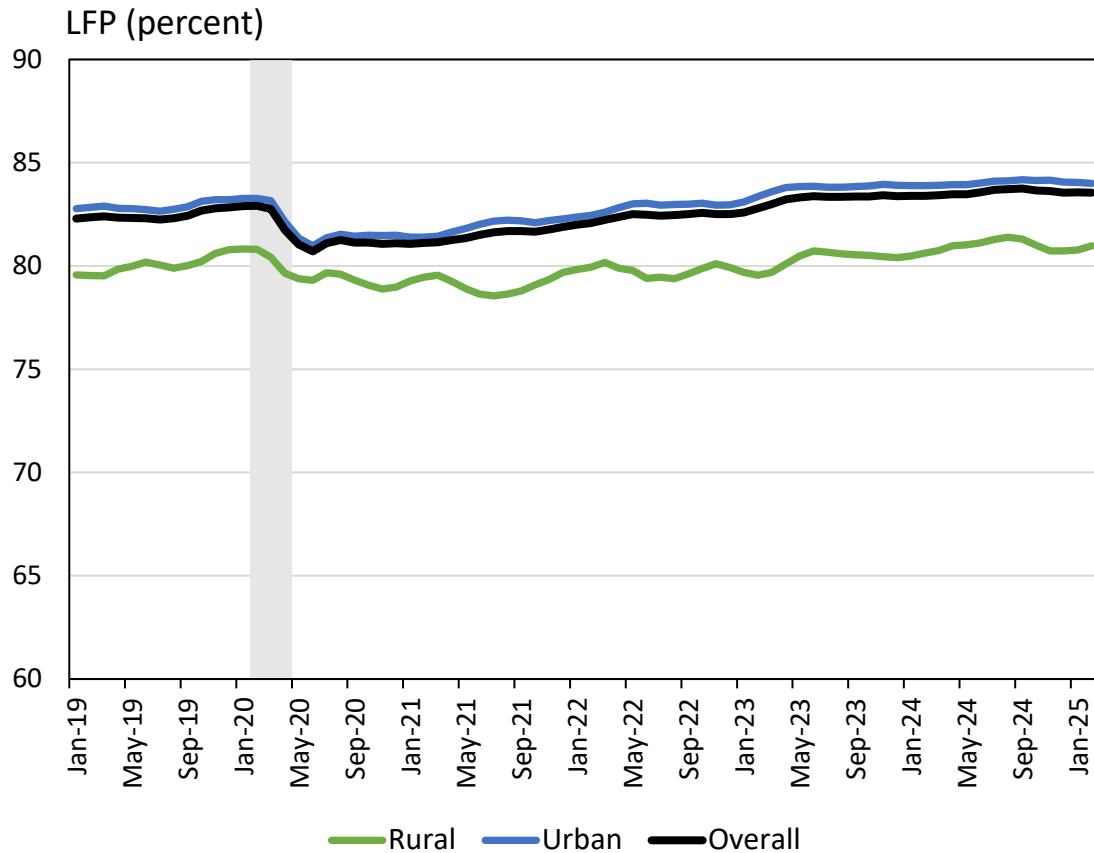
The race by gender gap is defined as the LFP of white men minus the LFP of women or men of the given race or ethnicity.

## Labor Force Participation by Age



Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.  
 Notes: Overall line uses prime-age (25-54) sample. Shaded region indicates the COVID-19 recession.

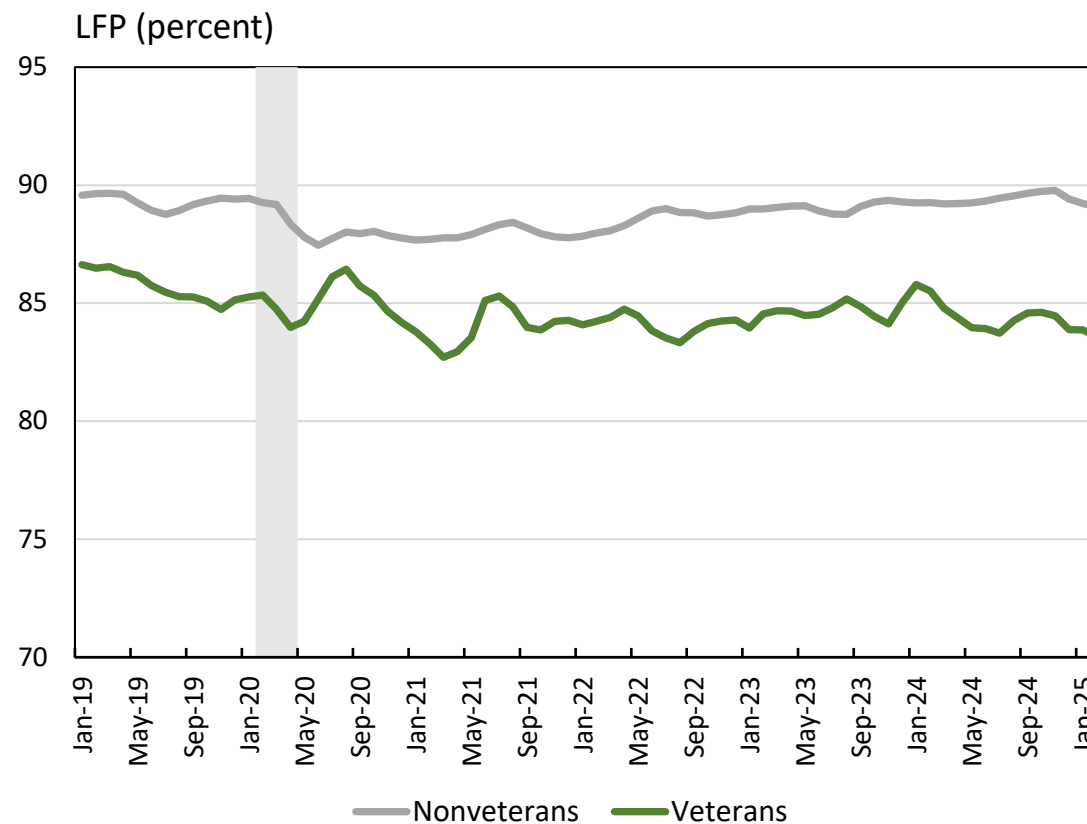
## Labor Force Participation by Urban Status



Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. The rural gap is the LFP of urban workers minus the LFP of rural workers.

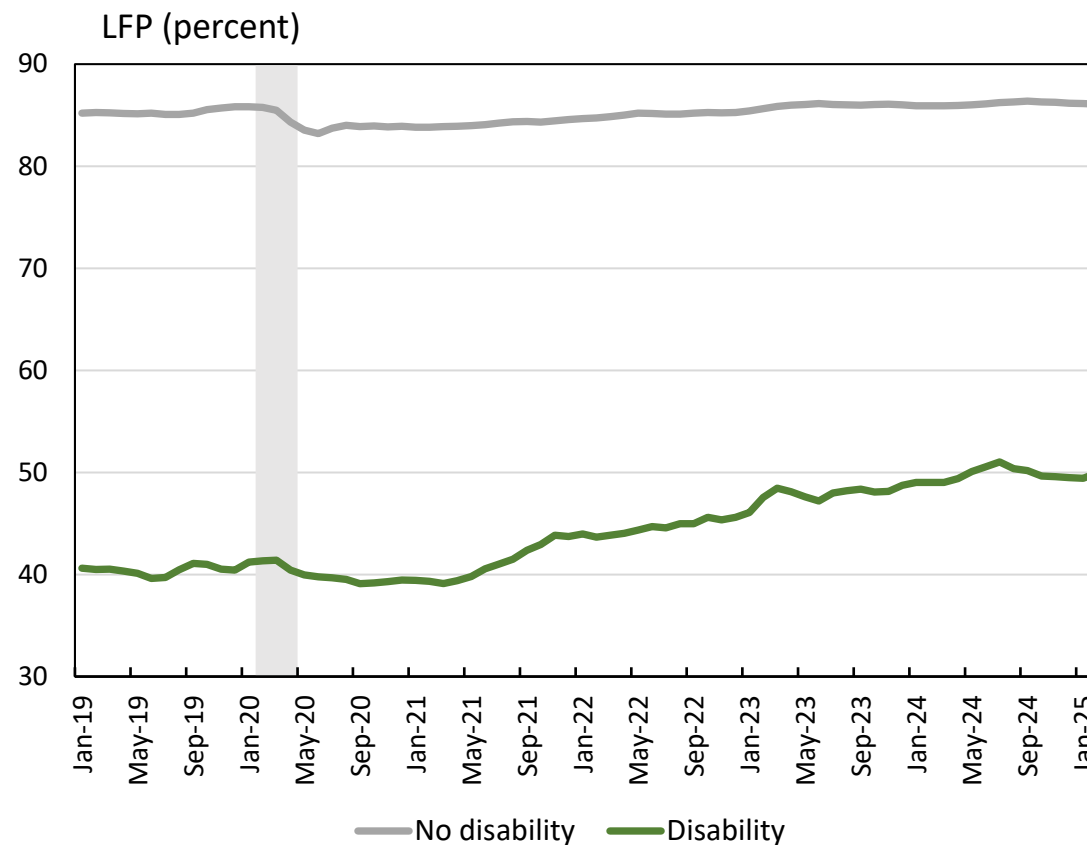
## Labor Force Participation by Veteran Status



Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

Notes: Restricted to men, 25-55, with at least a high school diploma. Shaded region indicates the COVID-19 recession.

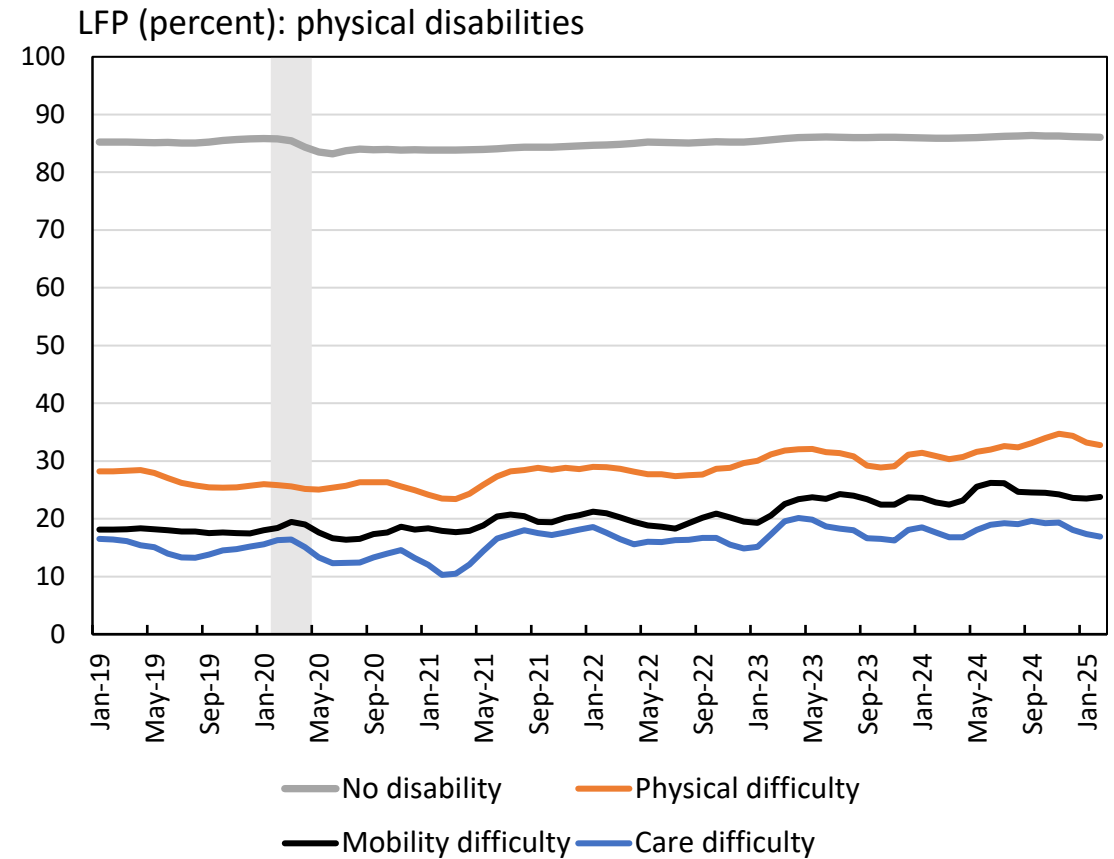
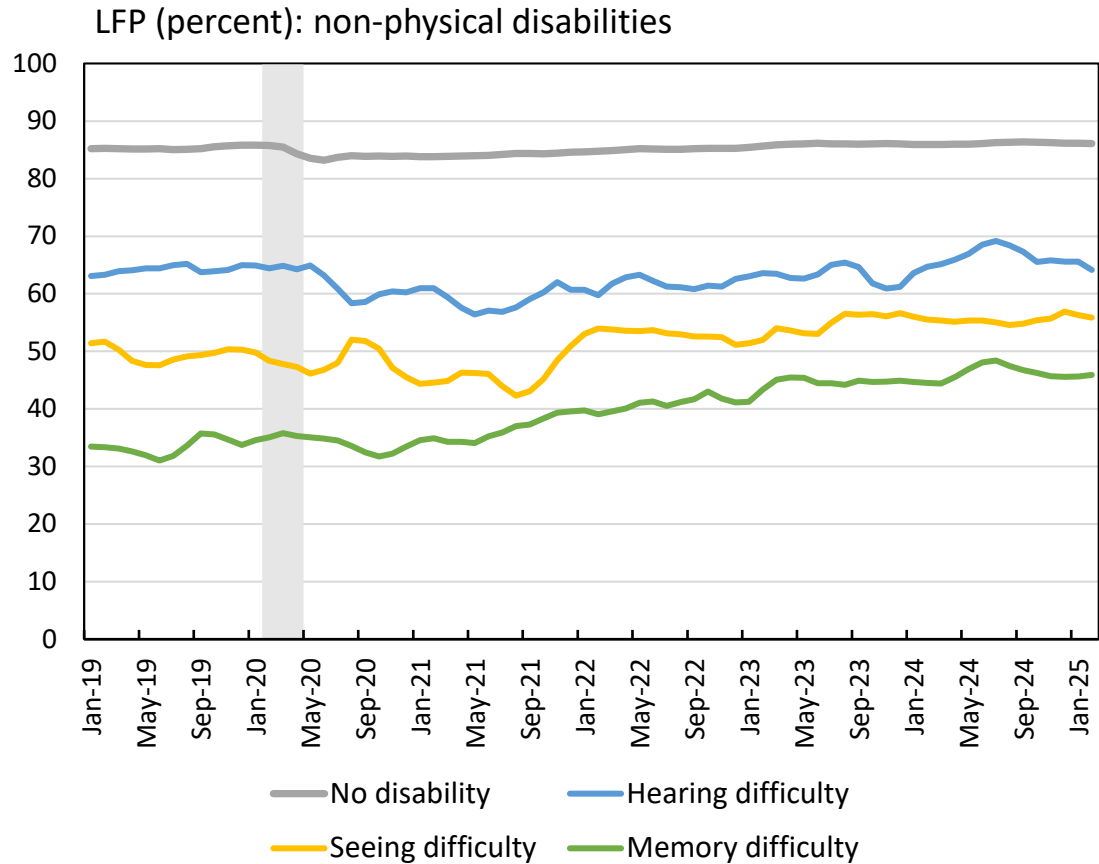
## Labor Force Participation by Disability



Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession.

## Labor Force Participation by Type of Disability



Sources: U.S. Census Bureau/BLS - Current Population Survey (CPS) microdata; authors' calculations, three-month moving averages. The CPS covers the civilian noninstitutional population, which excludes active-duty members of the U.S. armed forces and people confined to, or living in, institutions or facilities.

Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession. A care difficulty is a physical or mental condition that makes it challenging for individuals to take care of their own personal needs.