

EMPLOYMENT

UPDATED THROUGH OCT. 2023 | NATIONAL

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Full Report Highlights

- **INFLATION**

Housing inflation is driving most of the demographic inflation differences, in particular the higher inflation of the poorest 40% and of households headed by people under age 25.

- **EARNINGS**

The Black earnings gap is slowly but consistently shrinking for both Black men and women, though it remains large.

- **EMPLOYMENT**

Gaps in employment and unemployment rates across different racial and ethnic groups have come close to pre-pandemic levels, but convergence has stalled, and in some cases reversed slightly.

- **CONSUMER SPENDING**

The lower income, the less educated, and the young experienced a significantly faster recovery in spending since the pandemic. The spending recovery among the young (25-34) has weakened considerably over this year, with their spending on gas and restaurants having stalled in real terms.

- **WEALTH**

Growth in wealth since the pandemic has been especially pronounced for Hispanic people, people under 40 years old, people in the bottom half of the wealth distribution, and the top 1% of income earners.

EMPLOYMENT

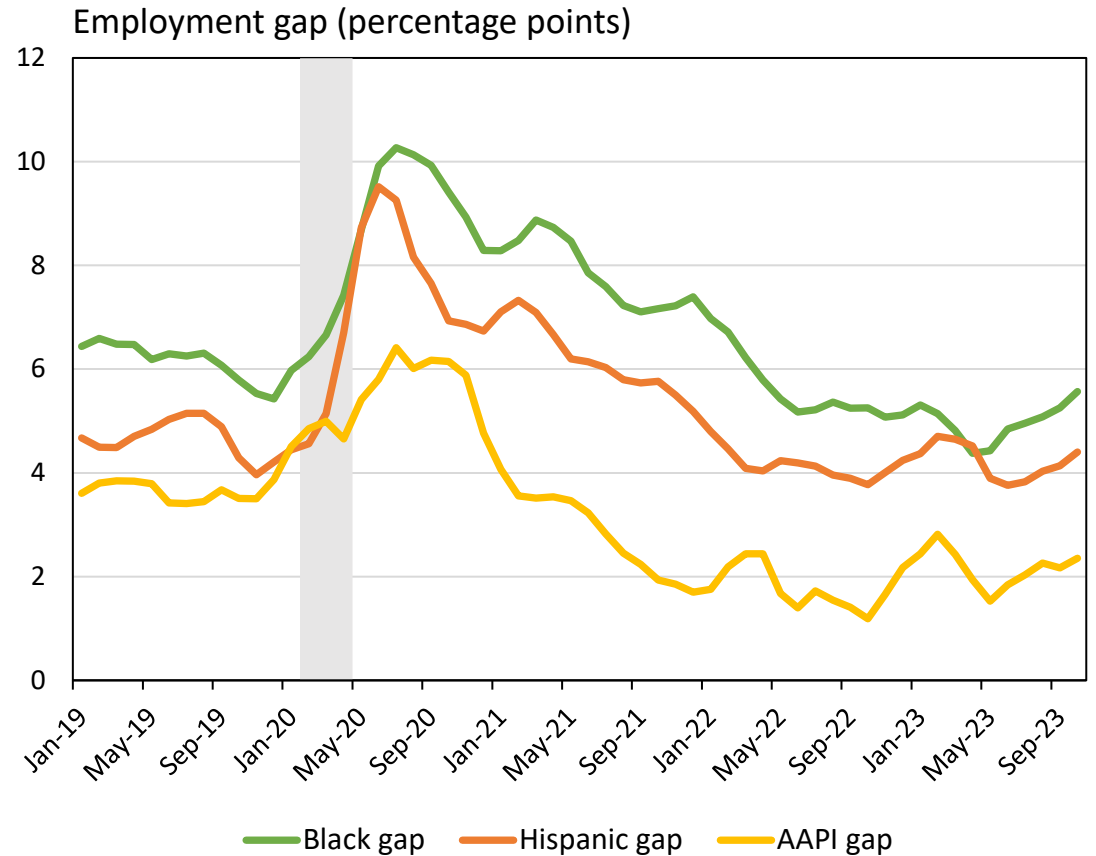
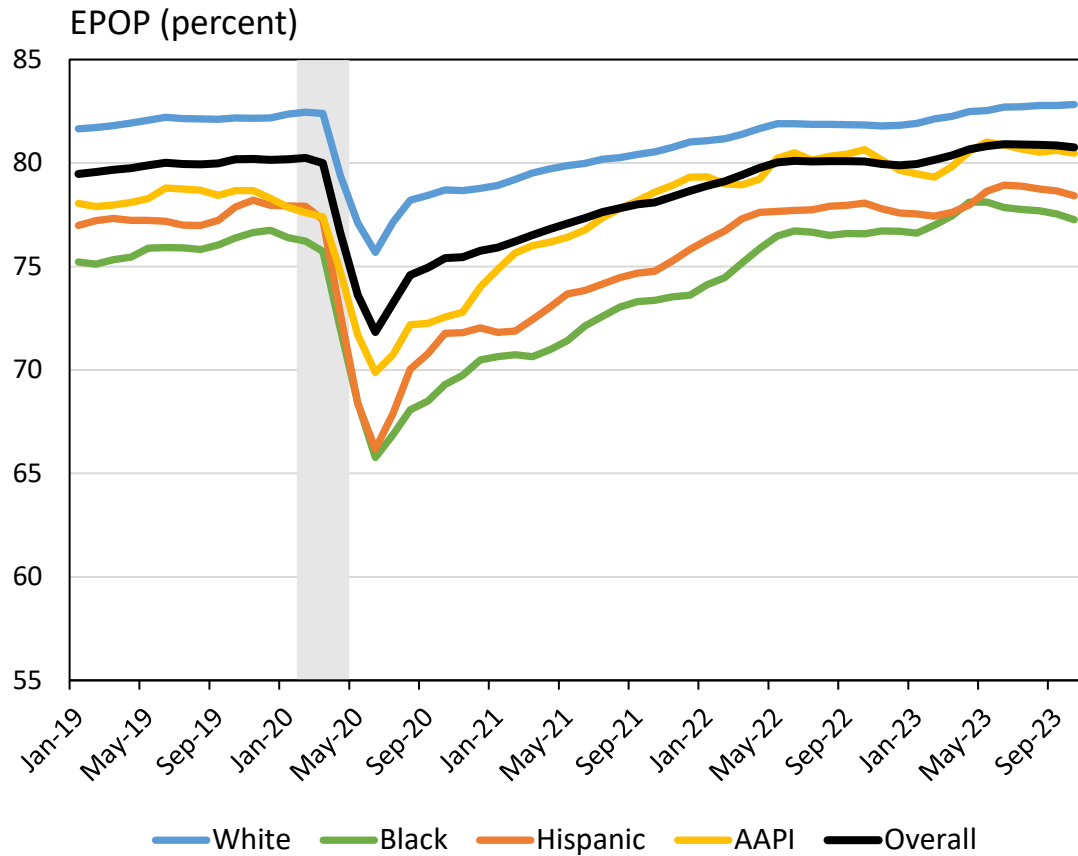
EMPLOYMENT TO POPULATION RATIO | NATIONAL
UPDATED THROUGH OCT. 2023

Takeaways | EPOP

- The gender gap has continued its decline from late 2020 into October 2023, though the decline of the college gap has stopped.
- Both AAPI and Hispanic men have had higher employment than white men since the beginning of the summer. Employment for Black men has leveled off 7.8 percentage points below the national average.
- Employment rates for Black and AAPI women have been on a multiyear trend of convergence towards the average employment rate for women, but both are down from their post-pandemic highs in May 2023.
- The urban-rural employment gap is at 3.5 percentage points and is rising towards its post-pandemic peak of four percentage points in March 2023.
- Employment for veterans remains four percentage points below that of comparable non-veterans*, although disability status and education explain much of this gap.

**Comparable nonveterans are male high school graduates reweighted by age, race and birthplace to match veterans.*

EPOP by Race/Ethnicity

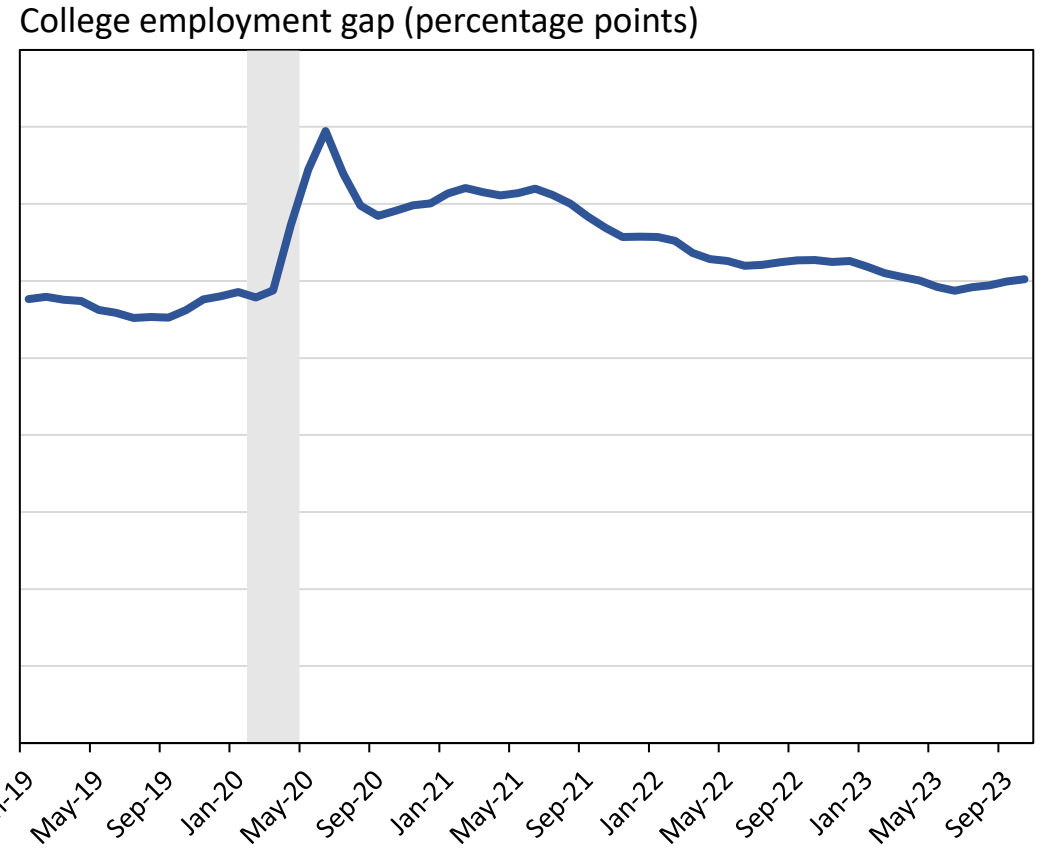
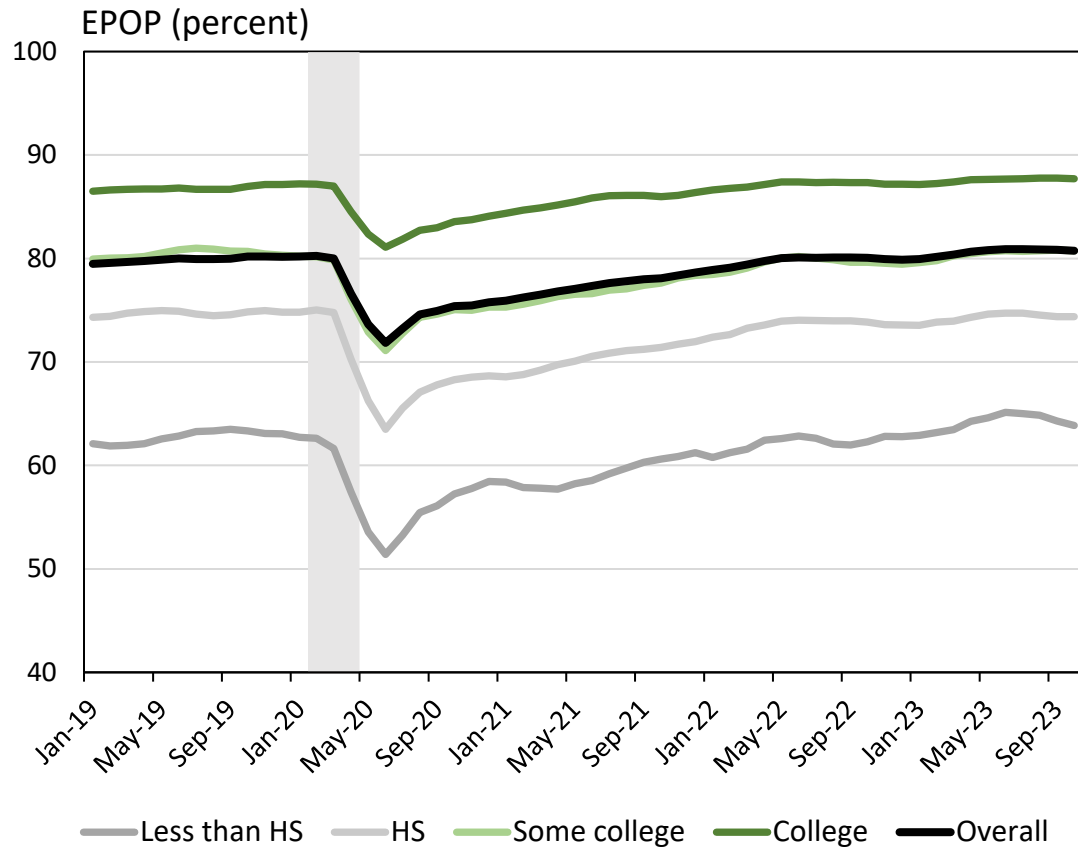


Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.

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

Employment gap defined relative to white employment.

EPOP by Education

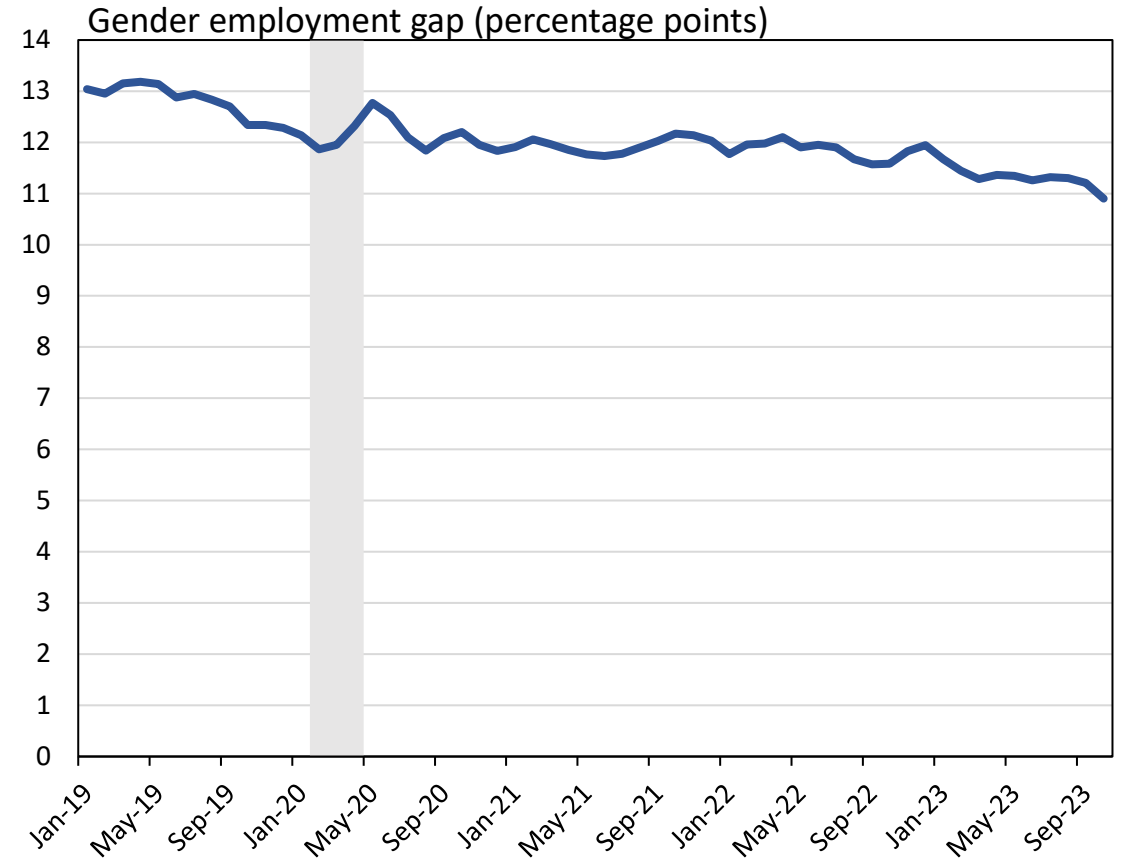
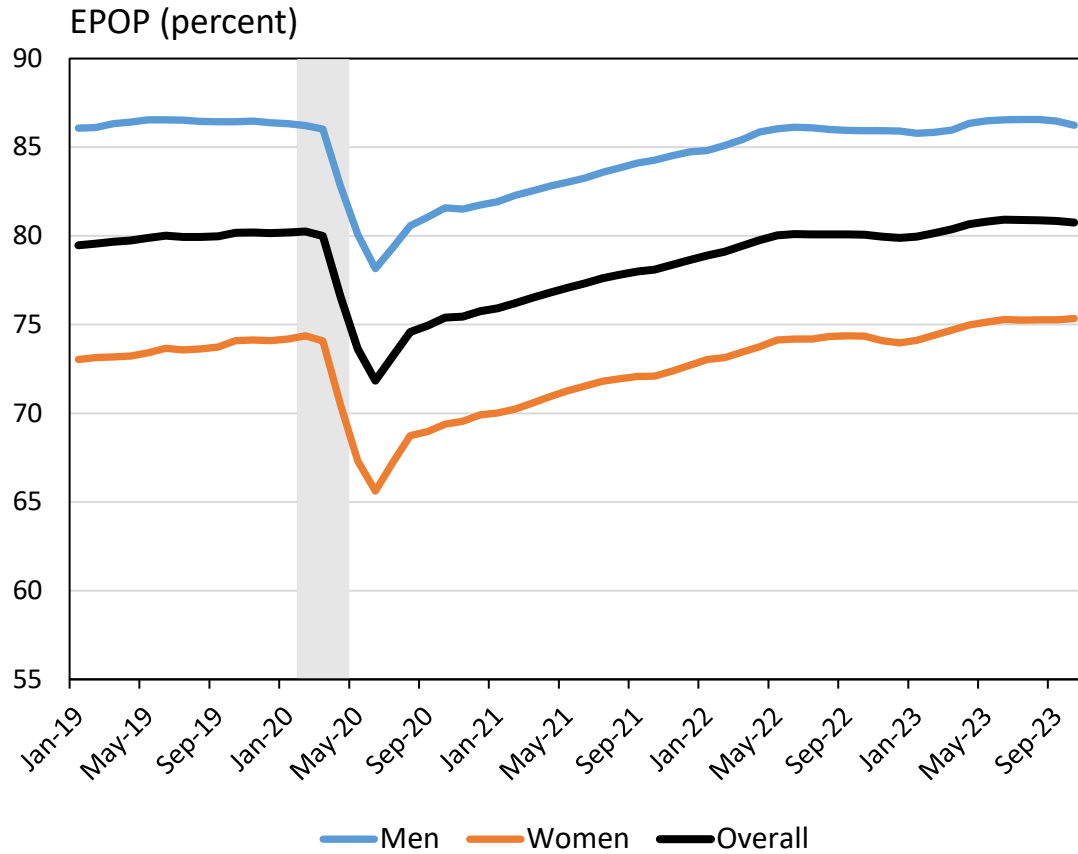


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College employment gap defined as employment of college graduates relative to non-graduates.

EPOP by Gender

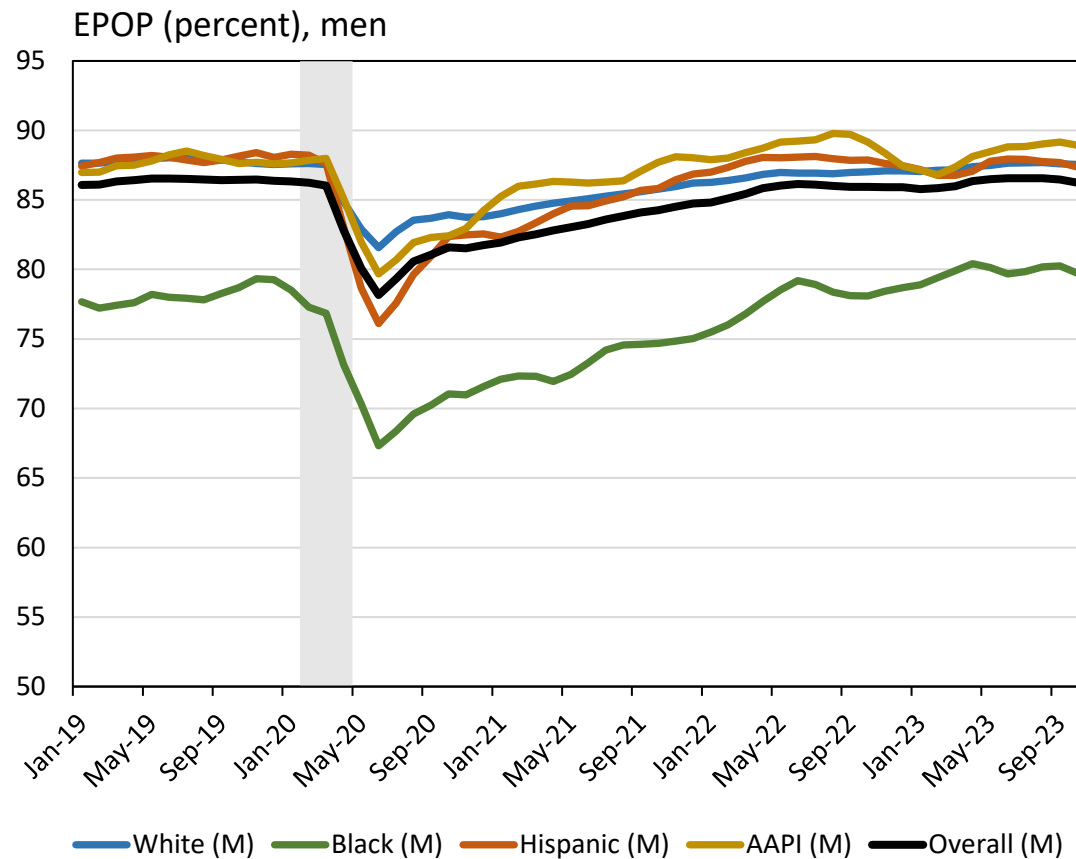
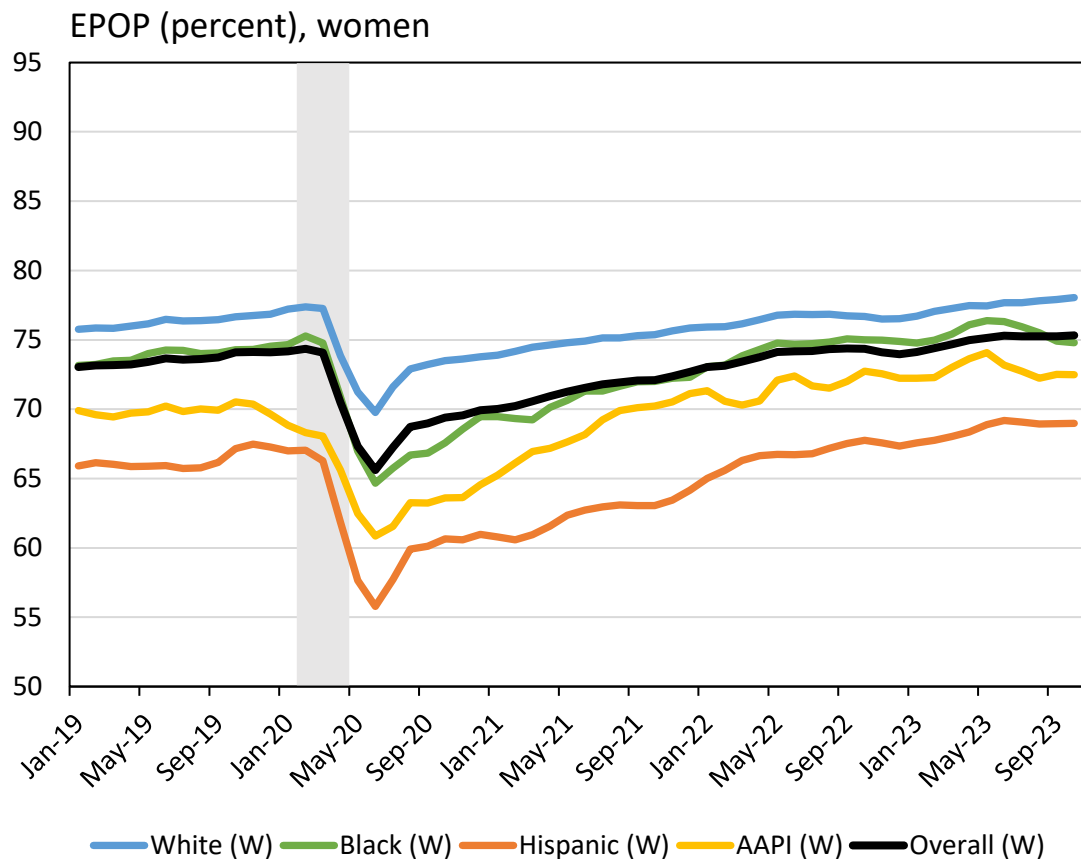


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Gender employment gap defined as employment of men relative to women.

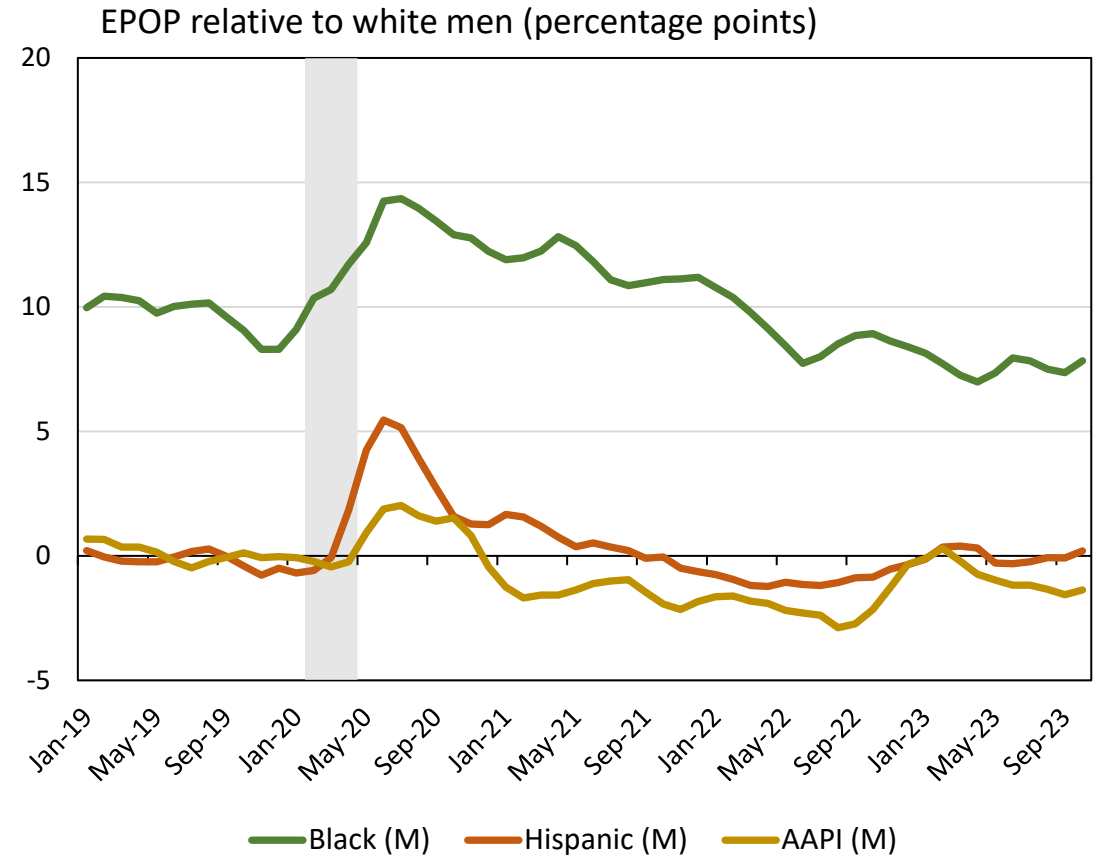
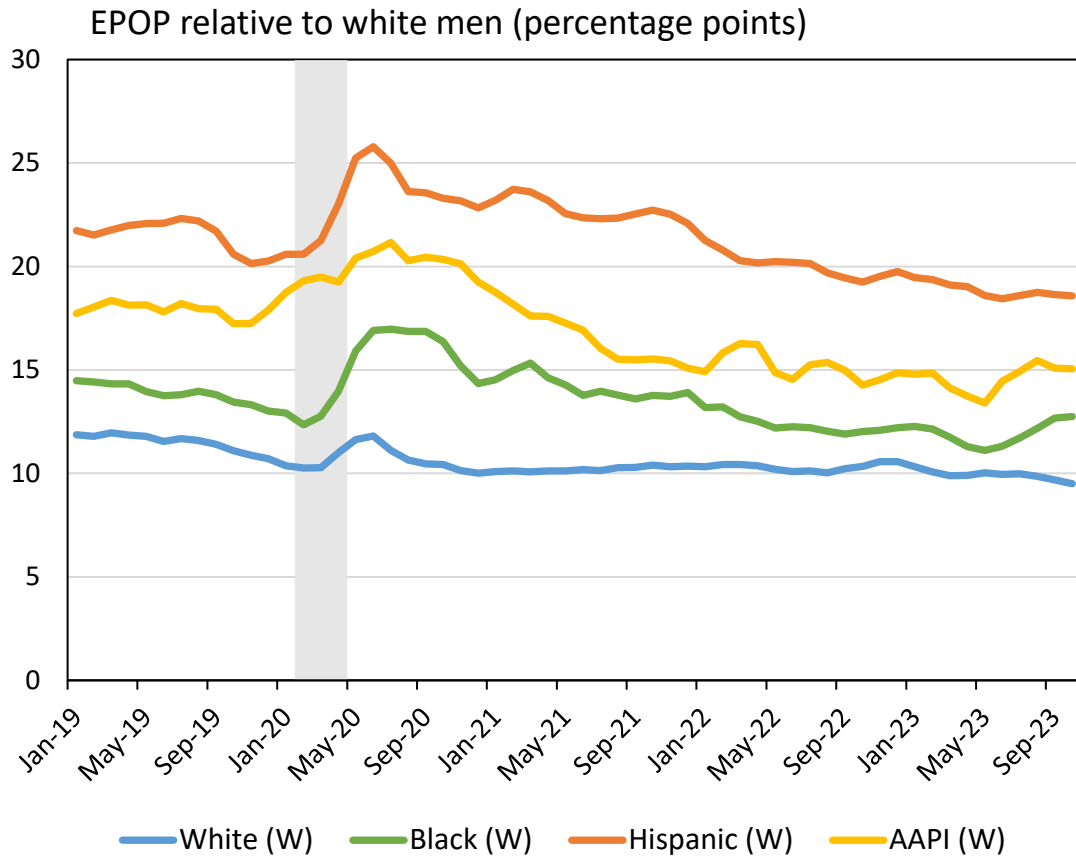
EPOP by Race x Gender



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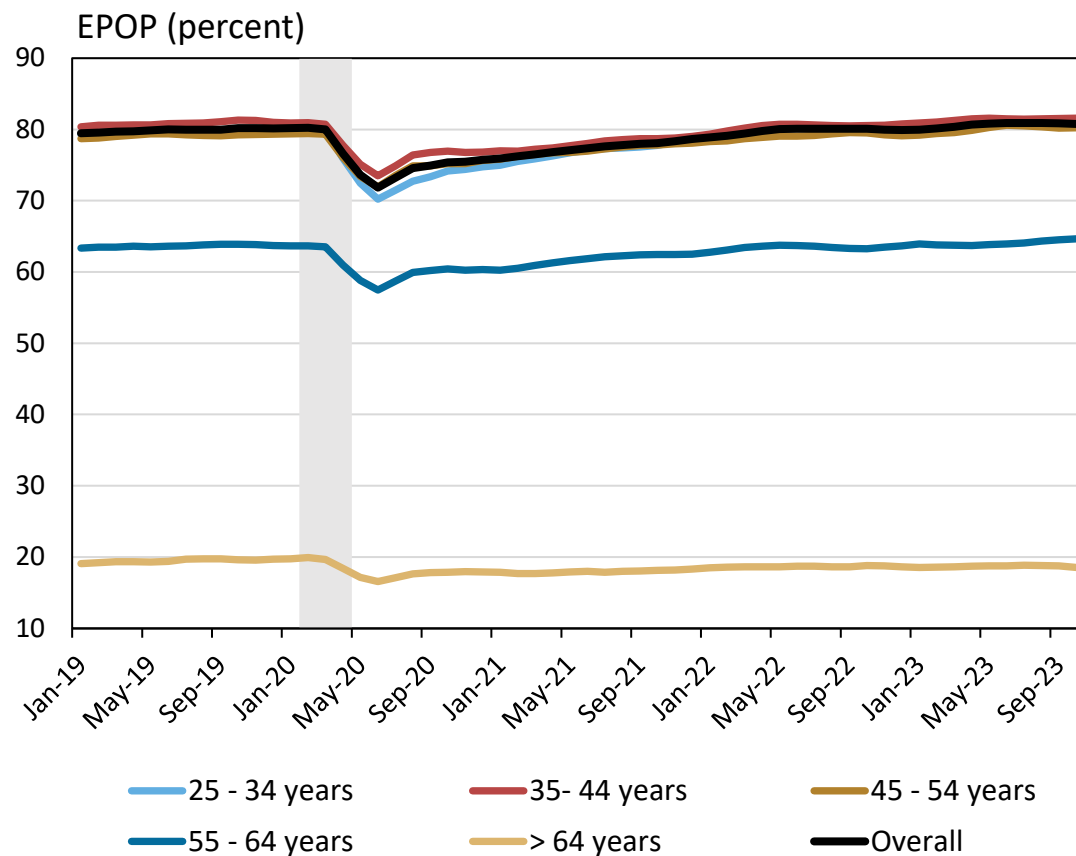
EPOP Gaps by Race x Gender



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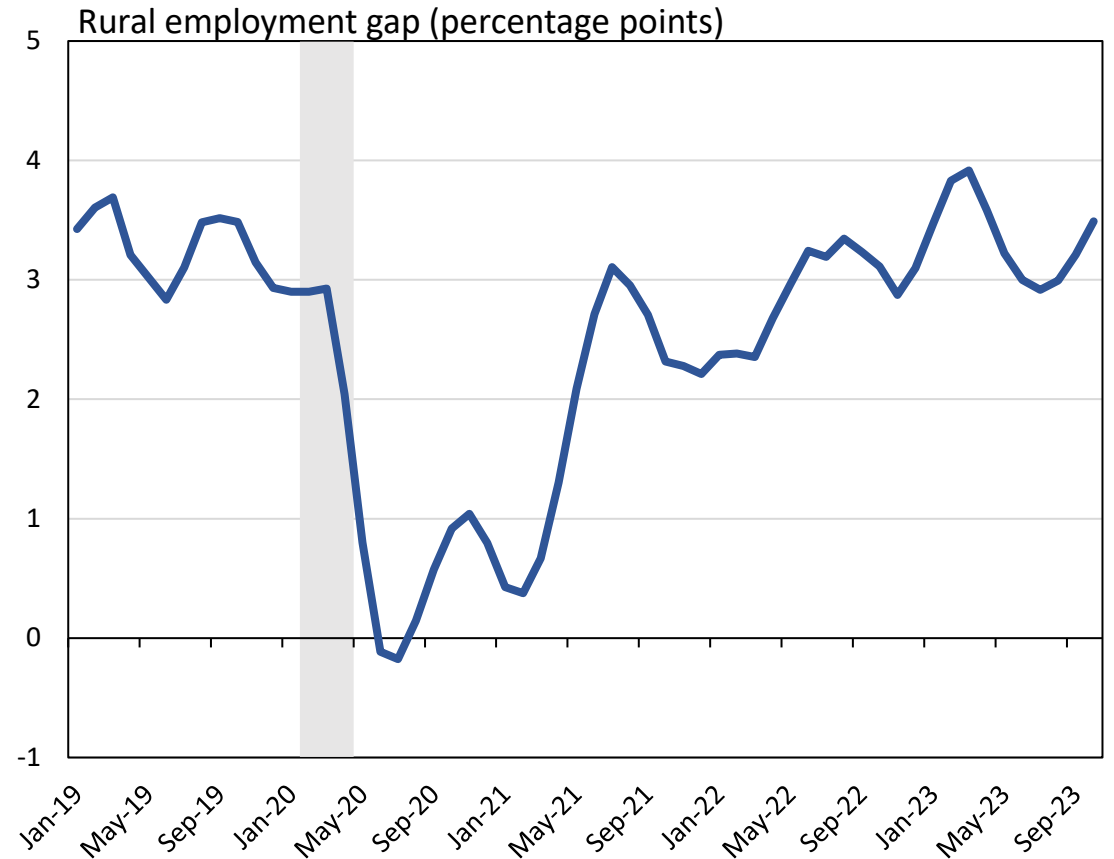
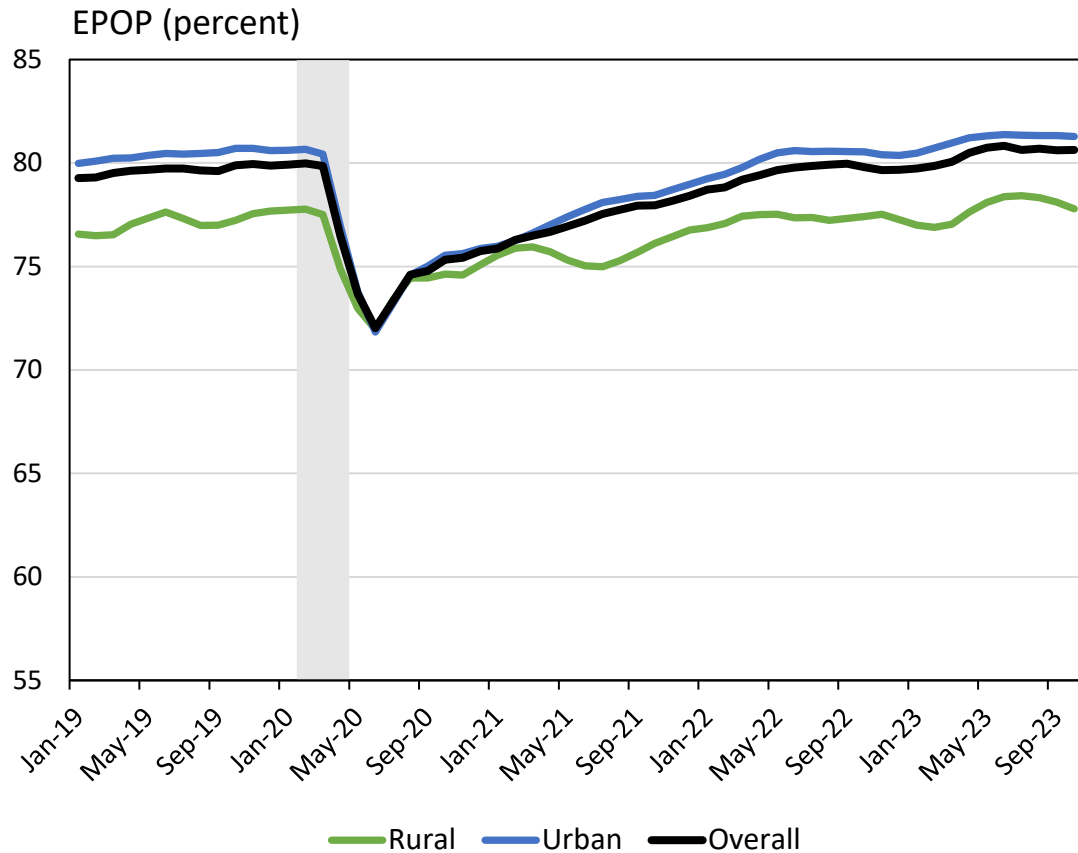
EPOP by Age



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EPOP by Urban Status

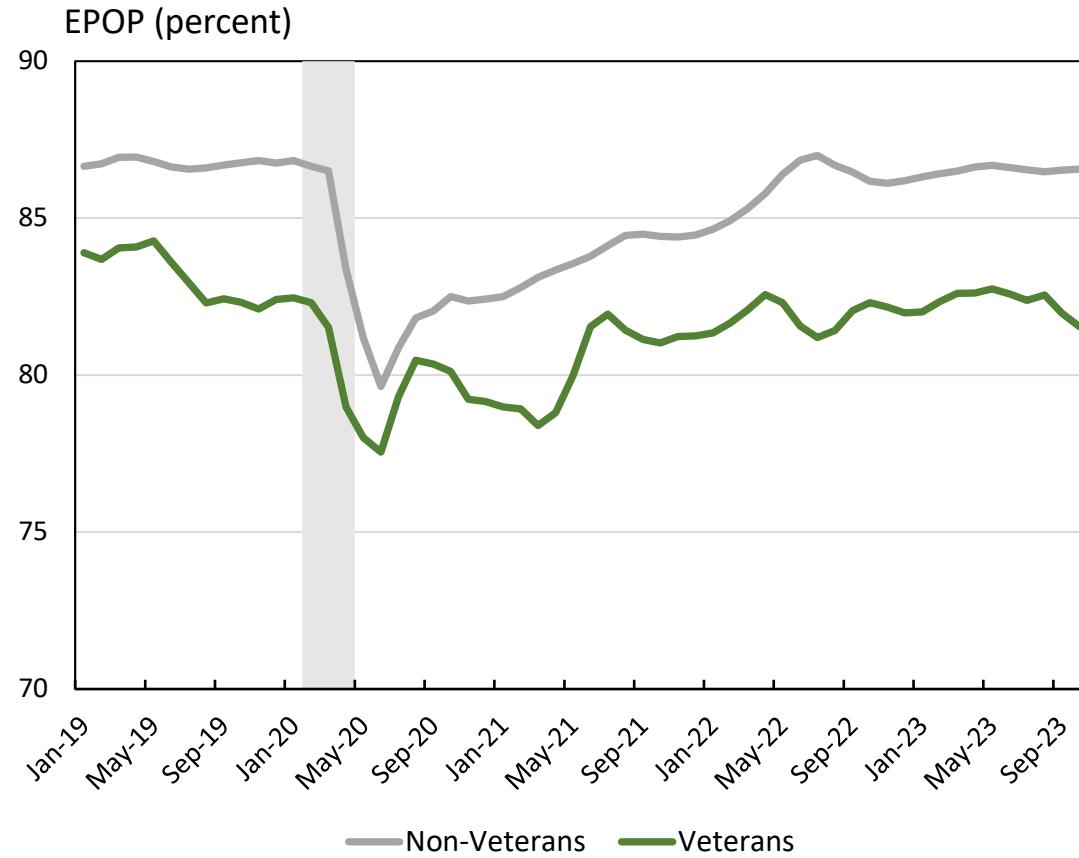


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Rural employment gap defined as employment of urban workers relative to rural workers.

EPOP by Veteran Status



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EMPLOYMENT

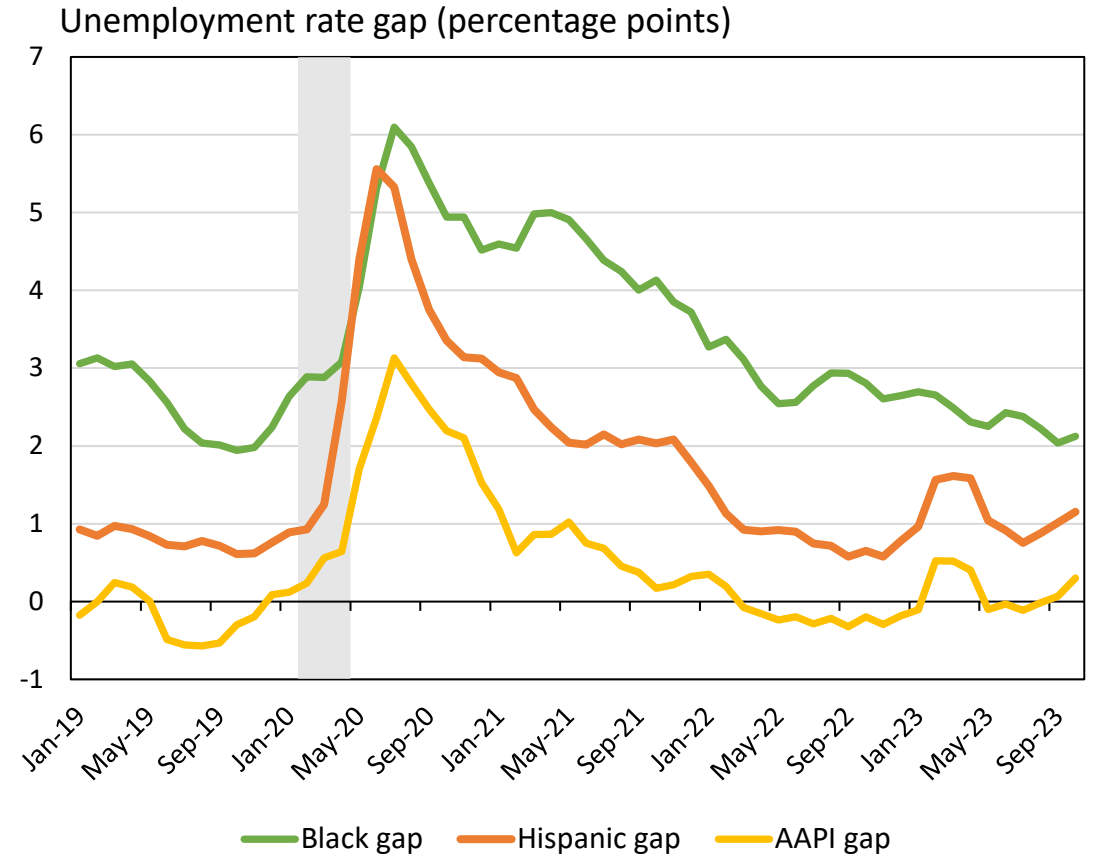
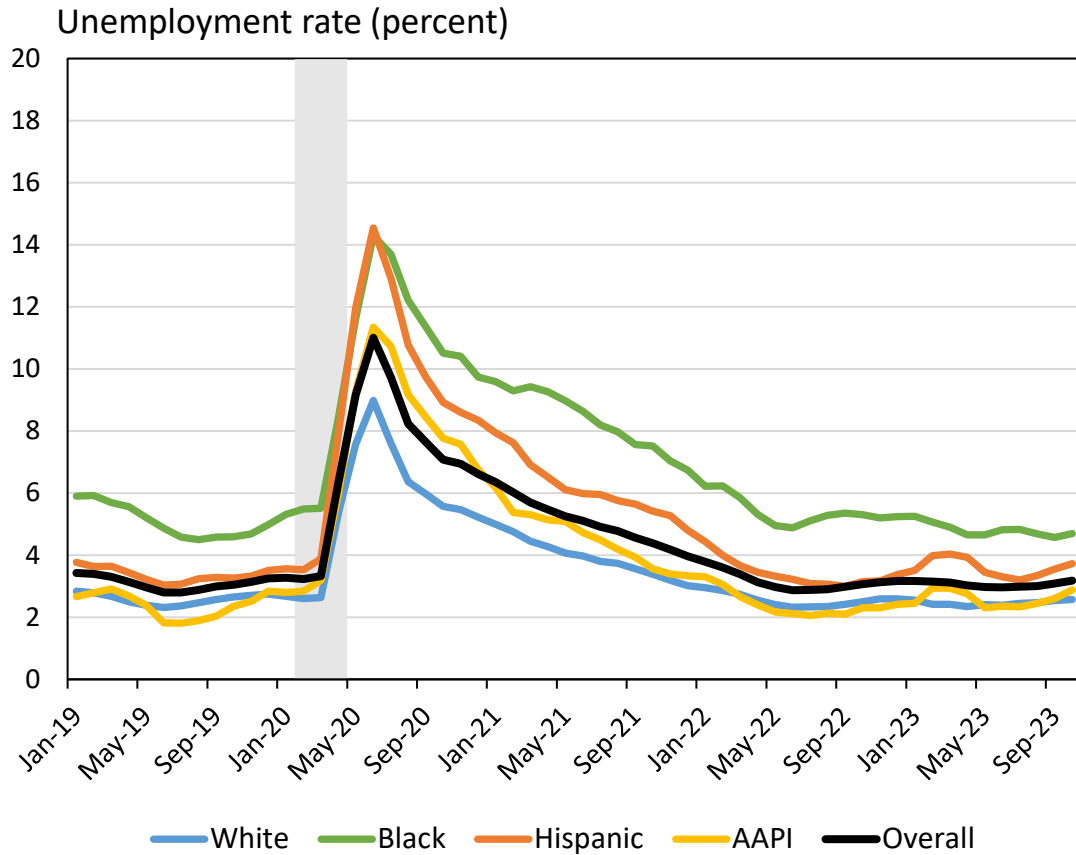
UNEMPLOYMENT | NATIONAL
UPDATED THROUGH OCT. 2023



Takeaways | Unemployment Rate

- Overall unemployment rose slightly in October 2023 to 3.18% after being on a gradual declining trend over the last three years.
- Demographic gaps in unemployment are close to their pre-pandemic levels, though the rate of their decline has slowed considerably. Black workers have an unemployment rate that is 2 percentage points higher than the national average, while Hispanic workers have an unemployment rate that is 1 percentage point higher than the national average.
- The college unemployment rate gap stabilized around two percentage points, down from a peak of over seven percentage points during the summer of 2020, and close to its pre-pandemic level.
- The gender unemployment gap has turned negative, as does the urban-rural employment gap (women and rural workers have lower unemployment than men and urban workers, respectively).

Unemployment Rate by Race/Ethnicity

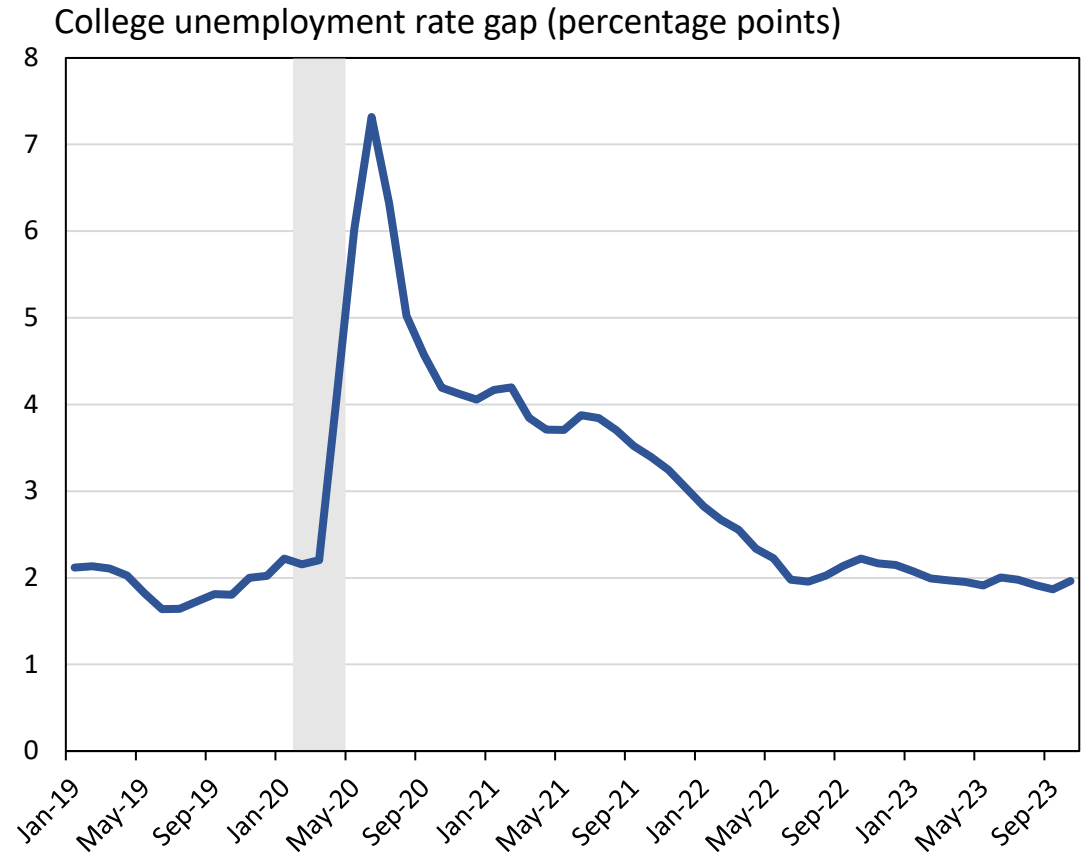
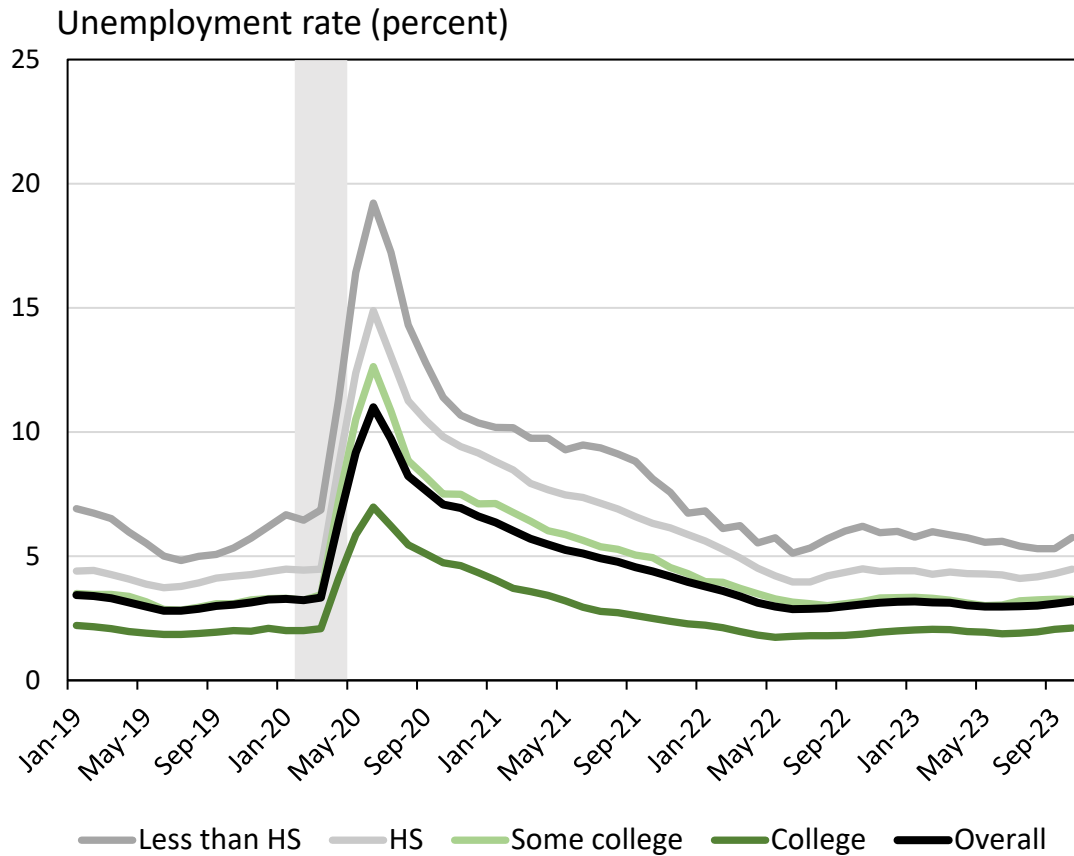


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Unemployment gap defined relative to white unemployment.

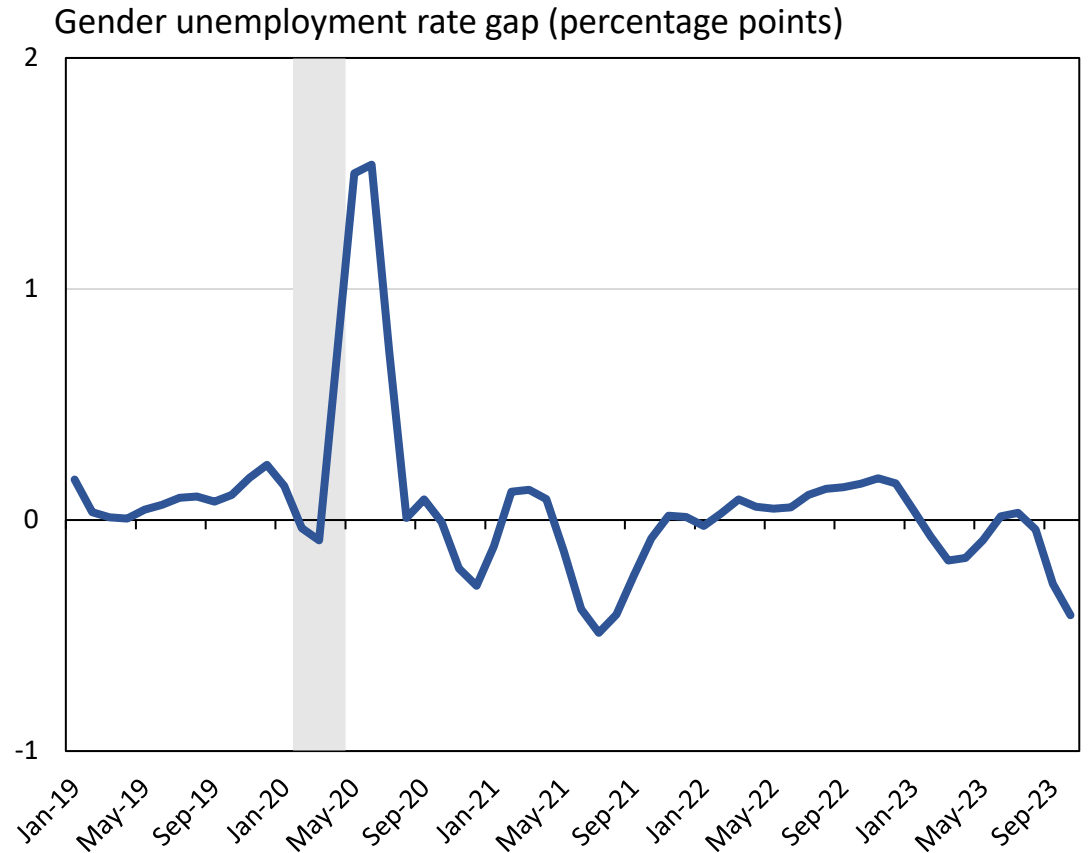
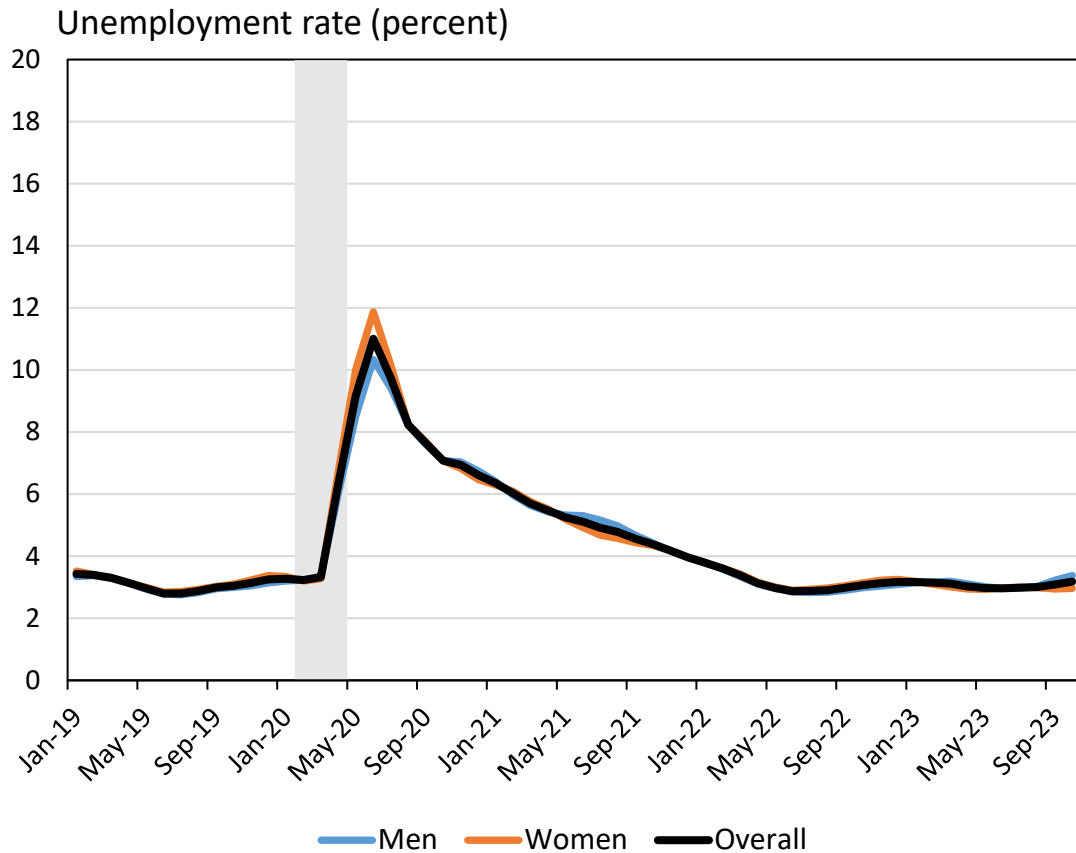
Unemployment Rate by Education



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Unemployment Rate by Gender

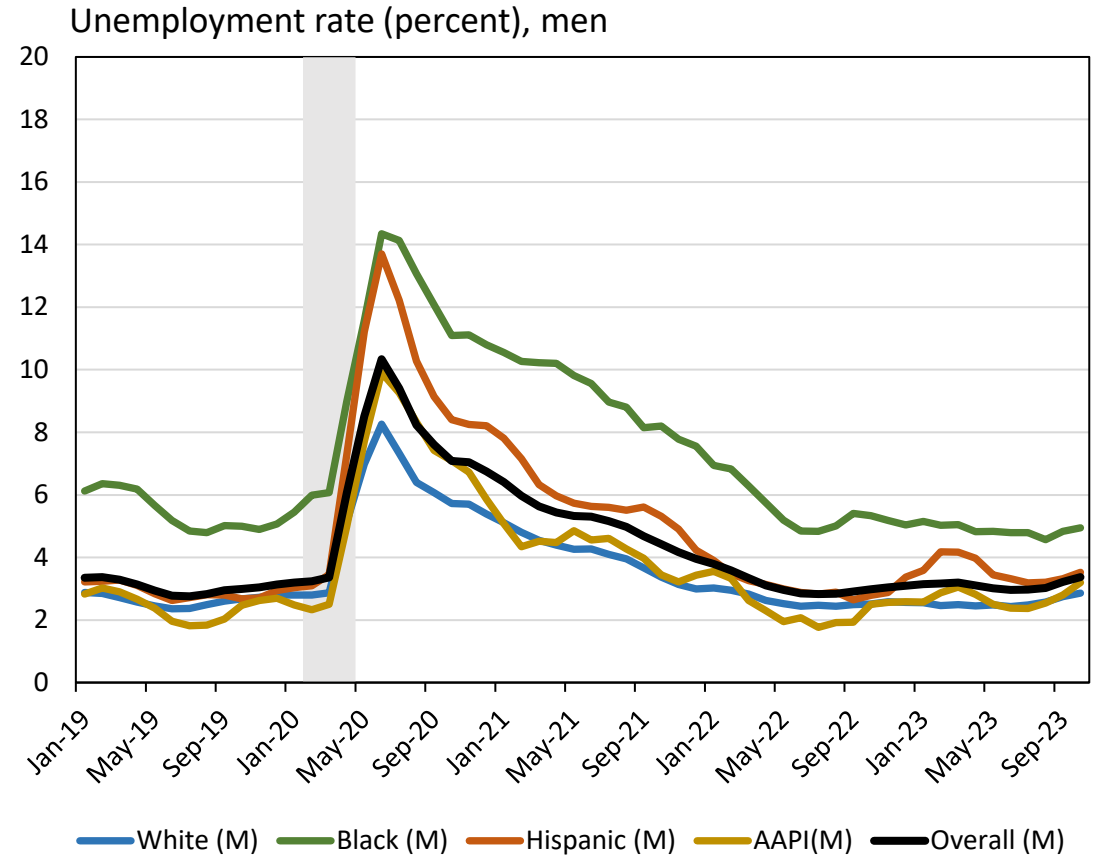
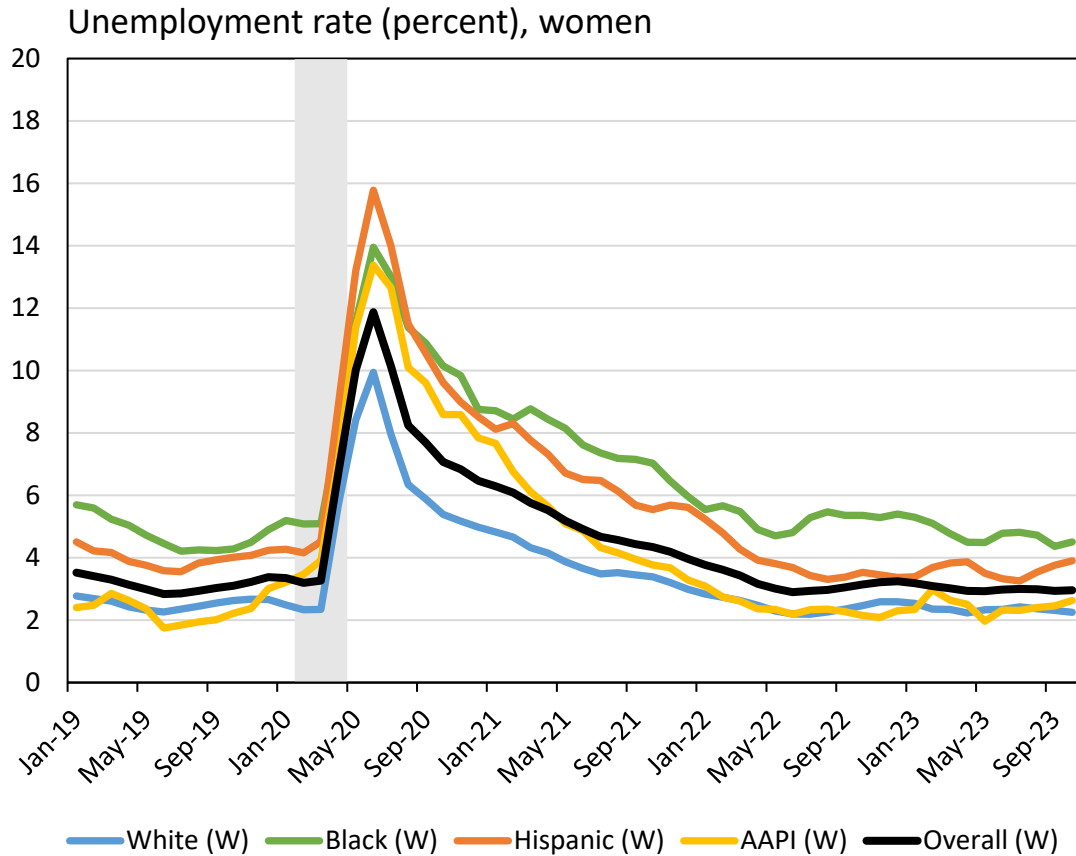


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Gender employment gap defined as unemployment of women relative to men.

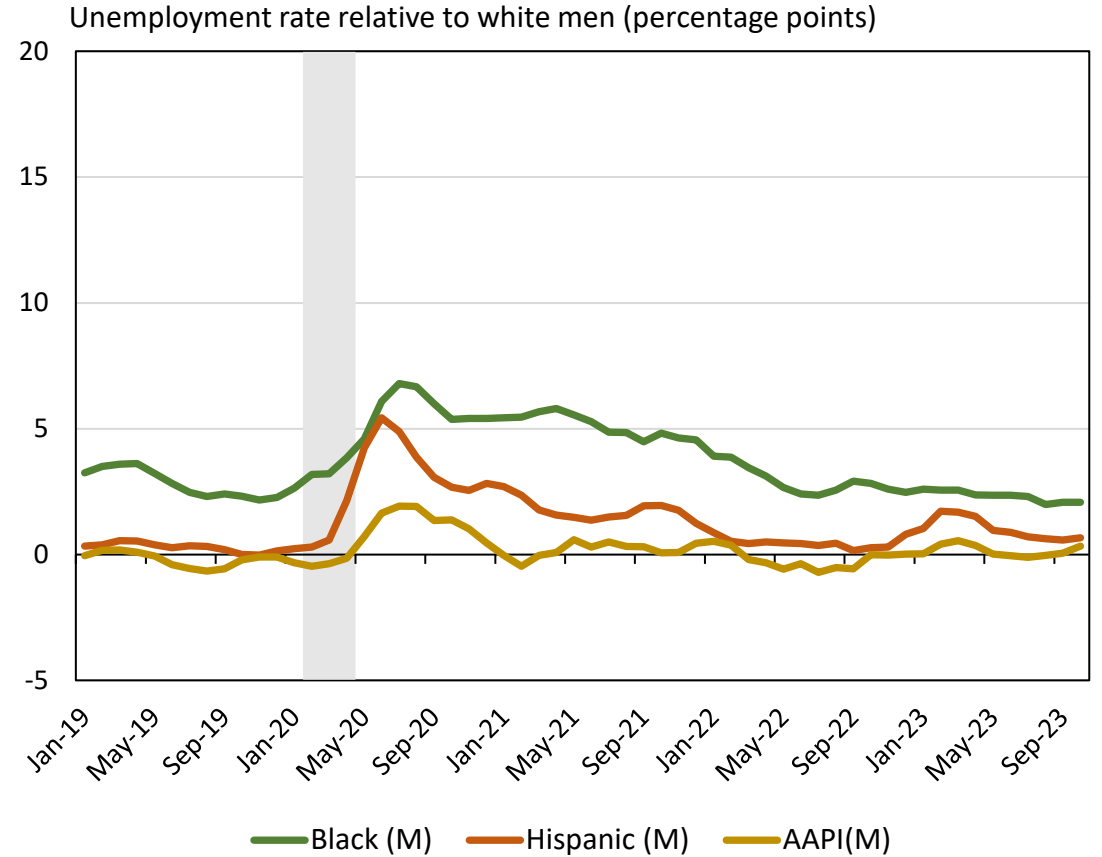
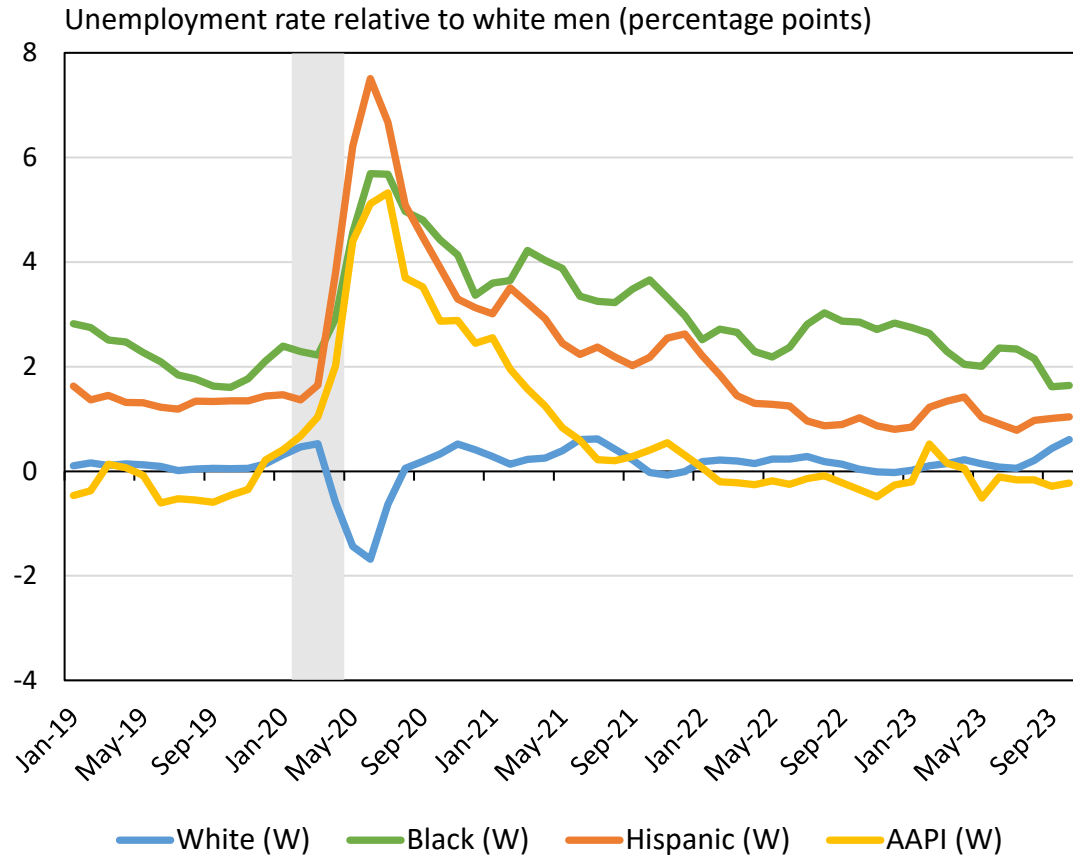
Unemployment Rate by Race x Gender



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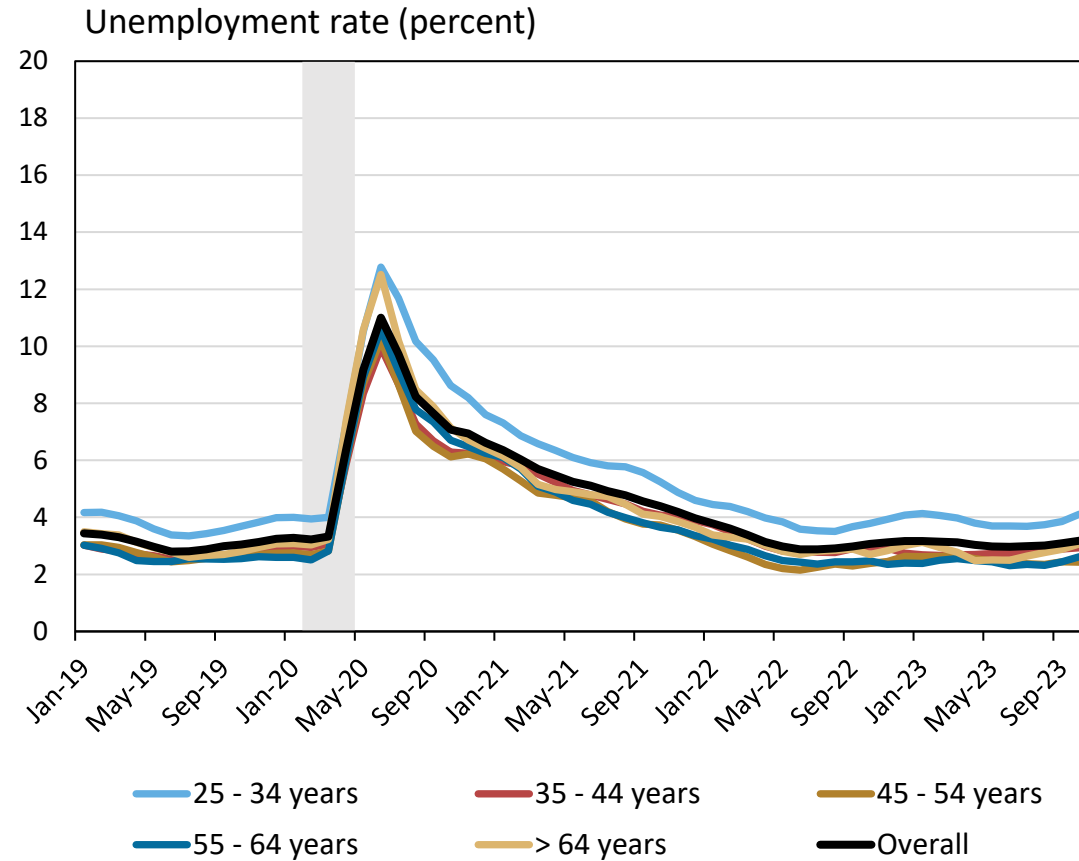
Unemployment Rate Gaps by Race x Gender



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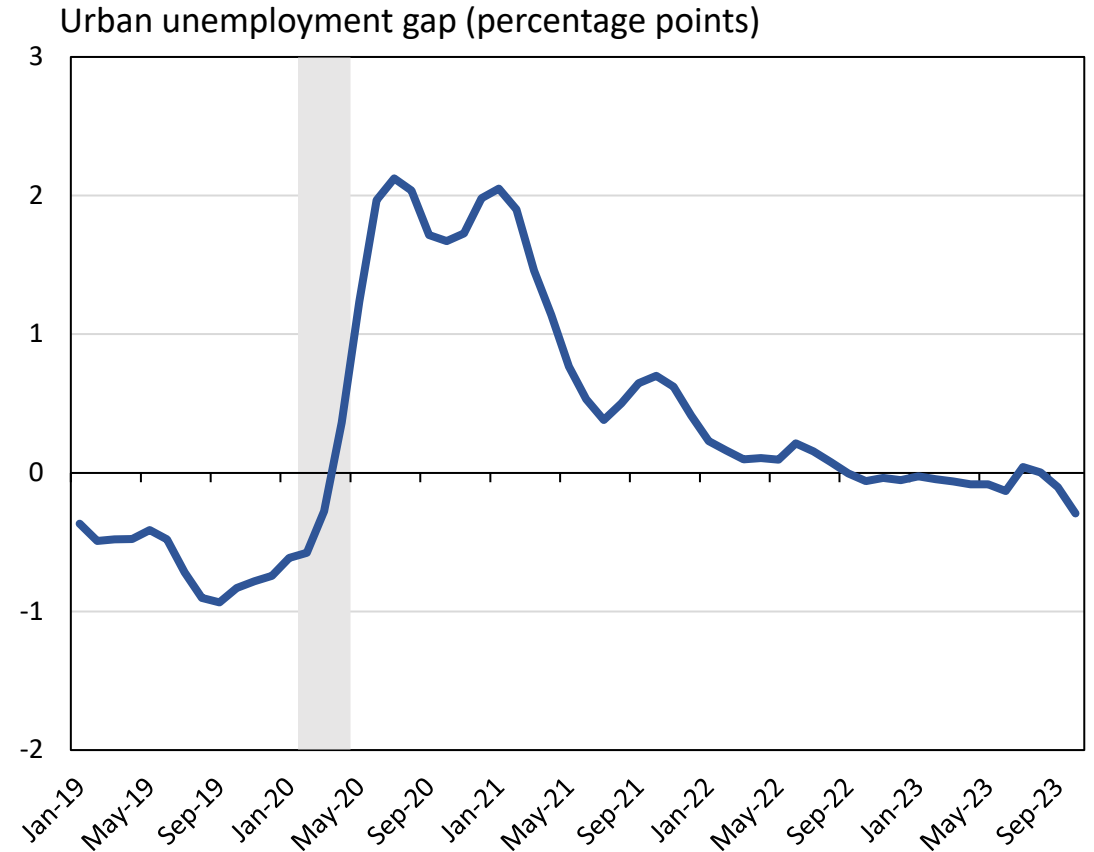
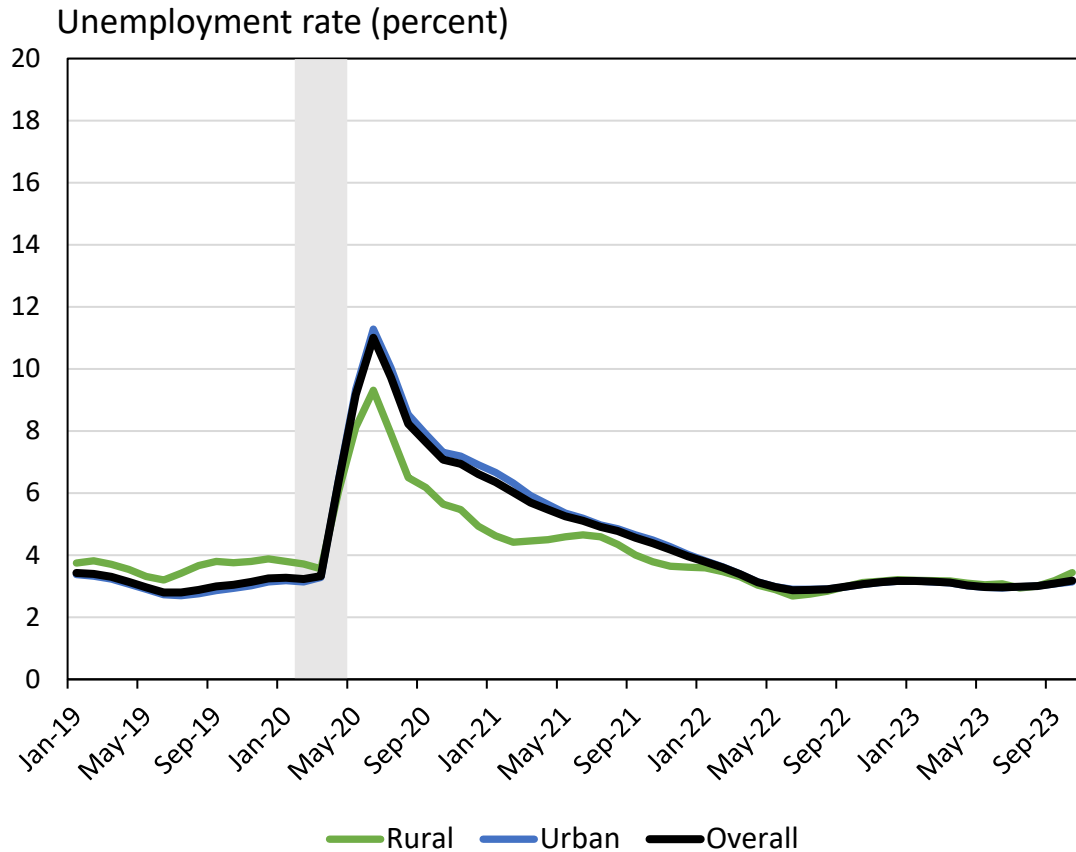
Unemployment Rate by Age



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Unemployment Rate by Urban Status

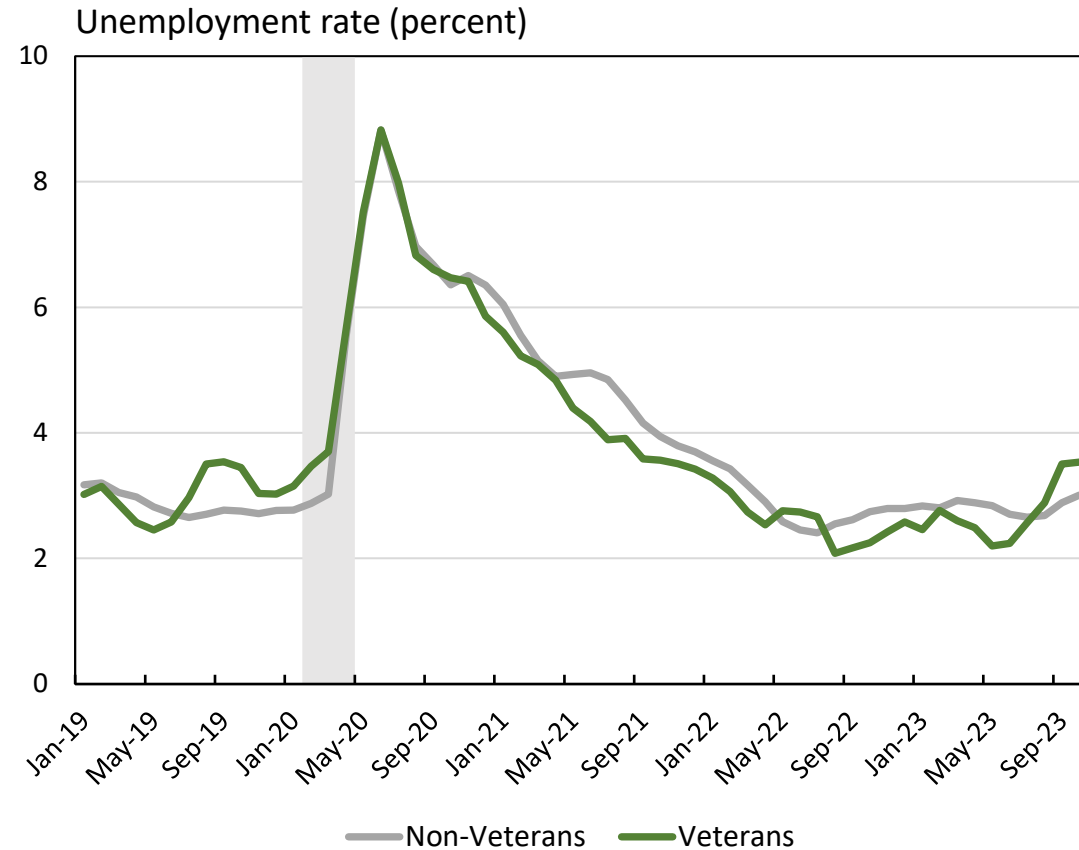


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Urban unemployment gap defined as unemployment of urban workers relative to rural workers.

Unemployment Rate by Veteran Status



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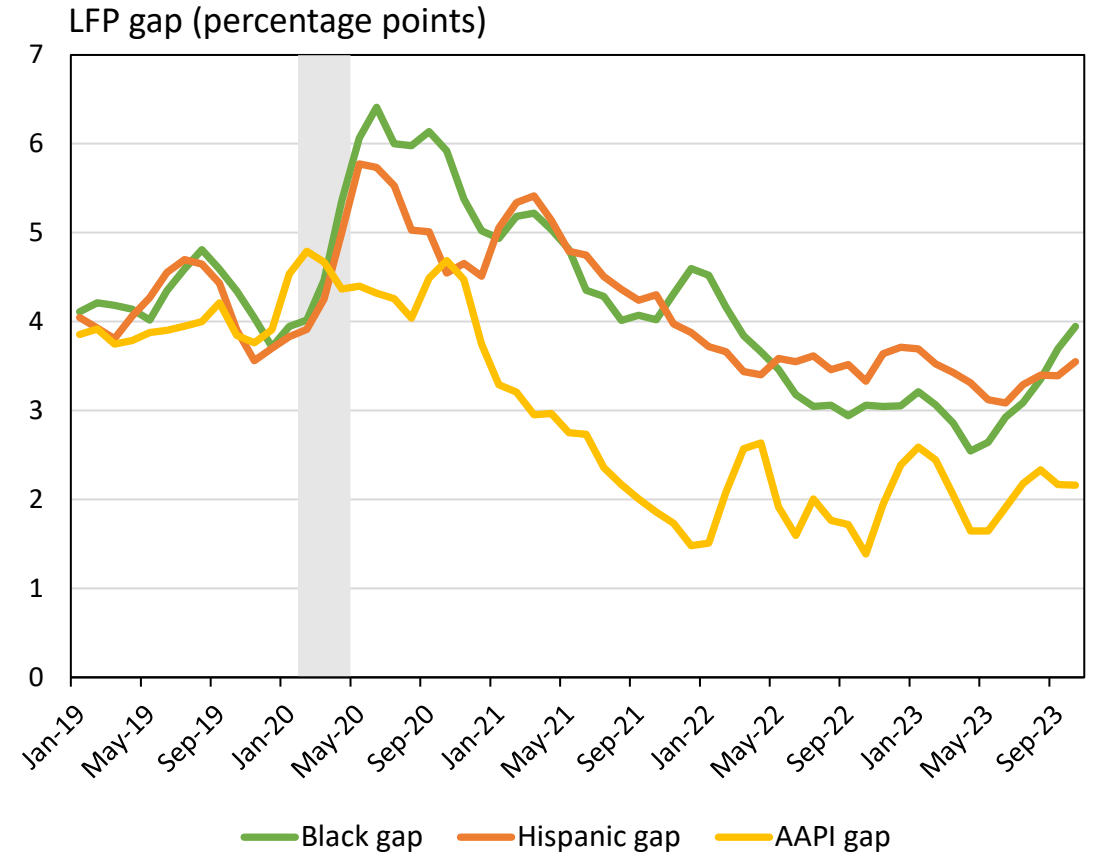
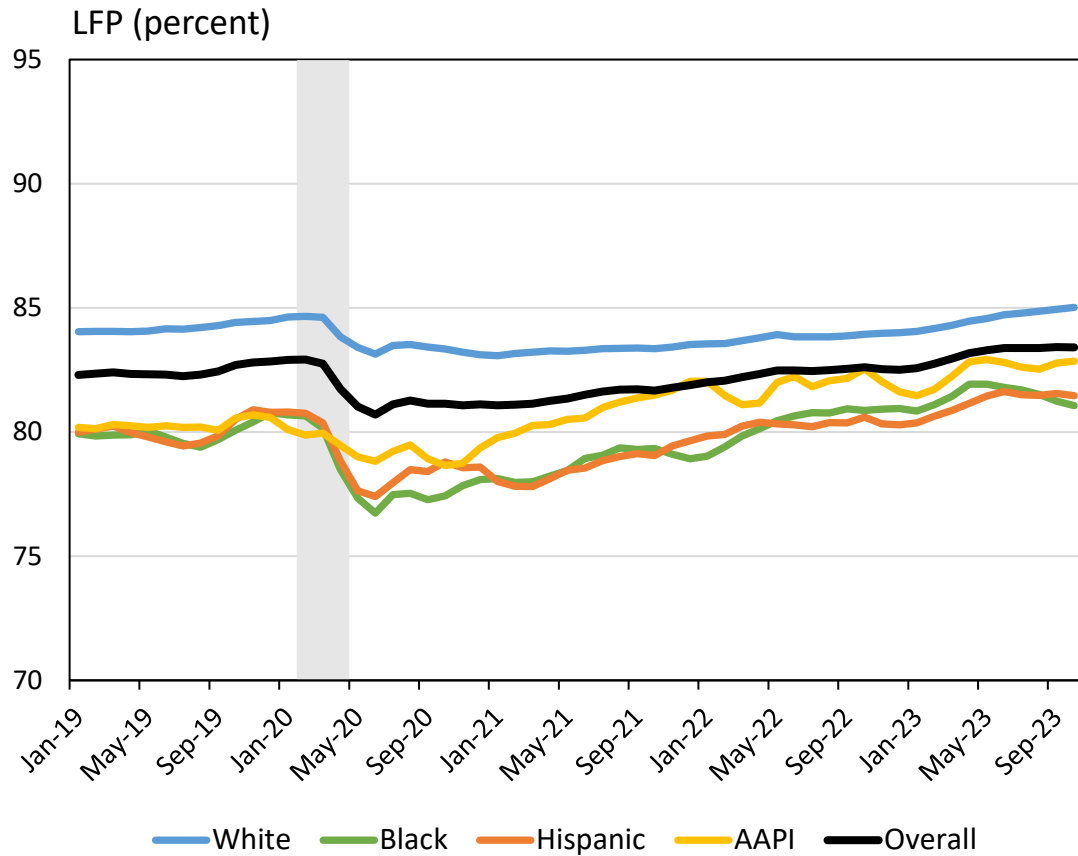
EMPLOYMENT

LABOR FORCE PARTICIPATION | NATIONAL
UPDATED THROUGH OCT. 2023

Takeaways | Labor Force Participation

- Overall LFP is higher in October 2023 (83.4%) than in October 2019 (82.6%) but has essentially stopped increasing.
- The LFP gap for Black workers has fallen substantially from its heights during the pandemic but has recently risen from 2.5 percentage points in July 2023 to 4 percentage points in October 2023. The LFP gap for Hispanic workers has experienced a similar but smaller increase.
- The college LFP gap continues to hover around 10-12%, although participation for those who did not complete high school has fallen slightly from June.
- The gender LFP gap continues to fall, remaining below 12 percentage points since January. However, the urban-rural gap has been generally increasing over the same time span.
- Similar to employment trends, both AAPI and Hispanic men have had higher LFP than white men over the last few months. The LFP gap for Black men continues to stay above 5 percentage points.

Labor Force Participation by Race/Ethnicity

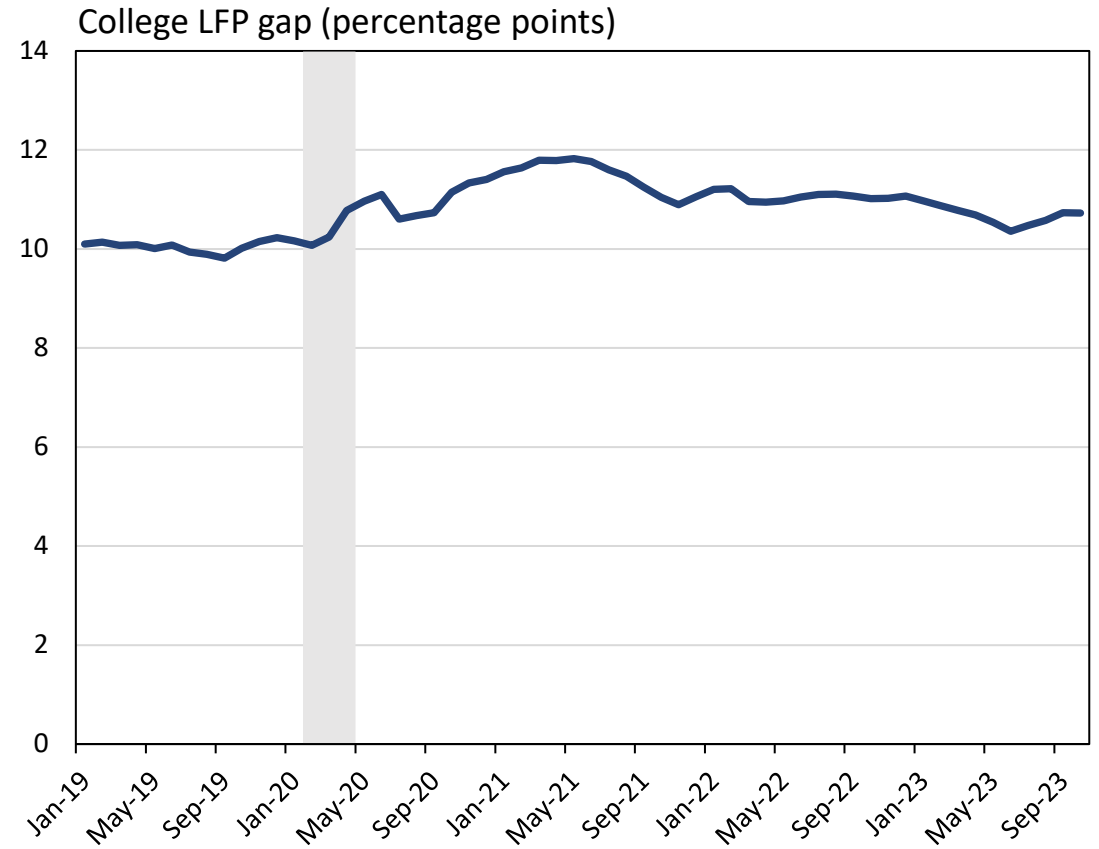
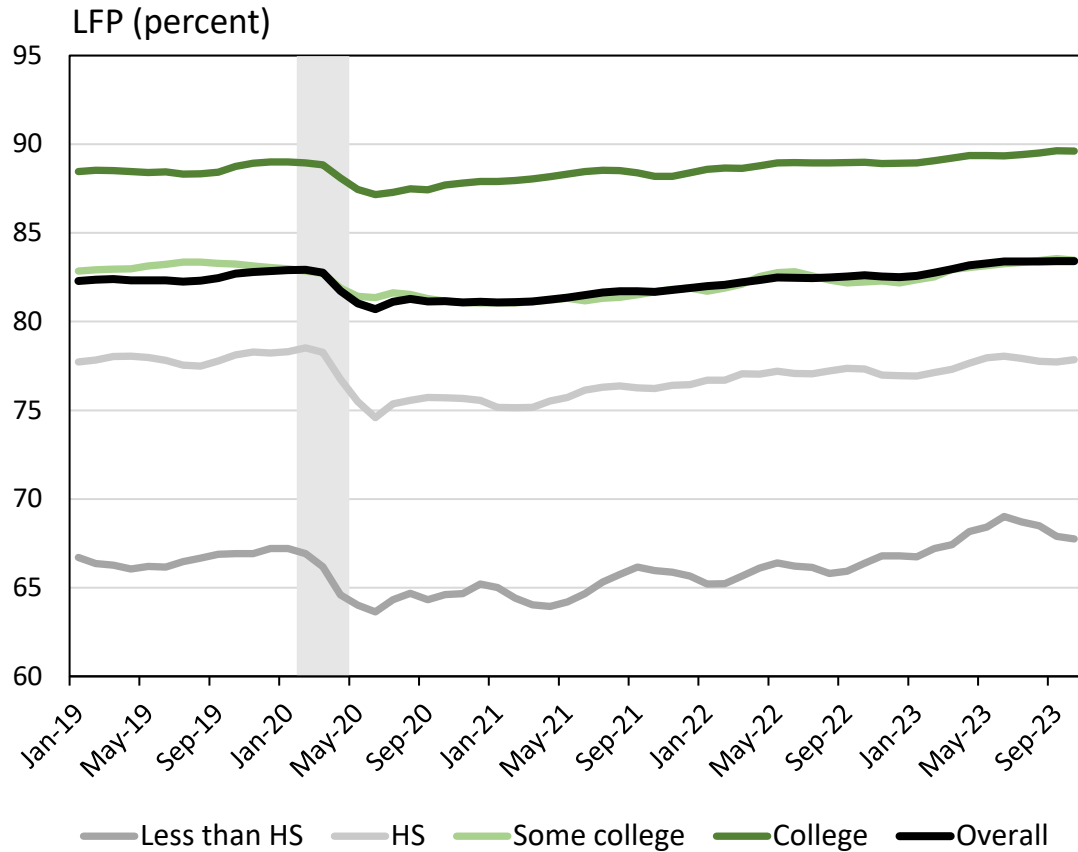


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LFP gap defined relative to white LFP.

Labor Force Participation by Education

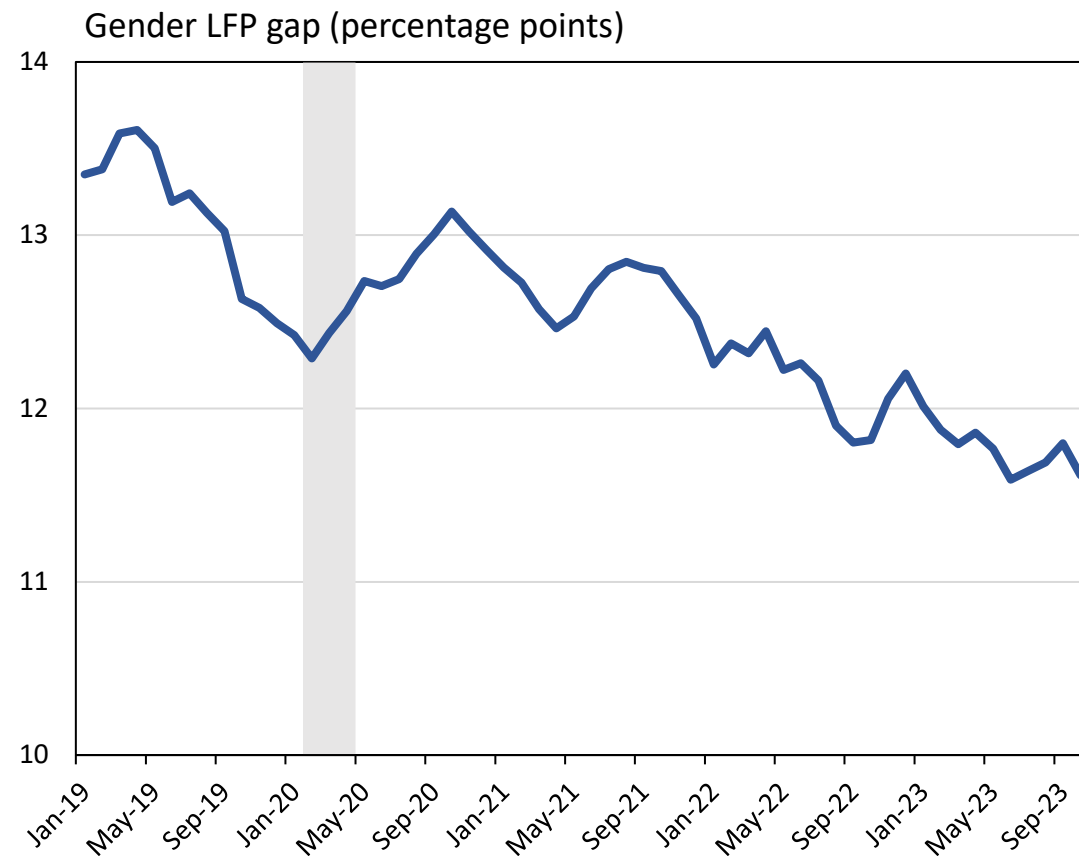
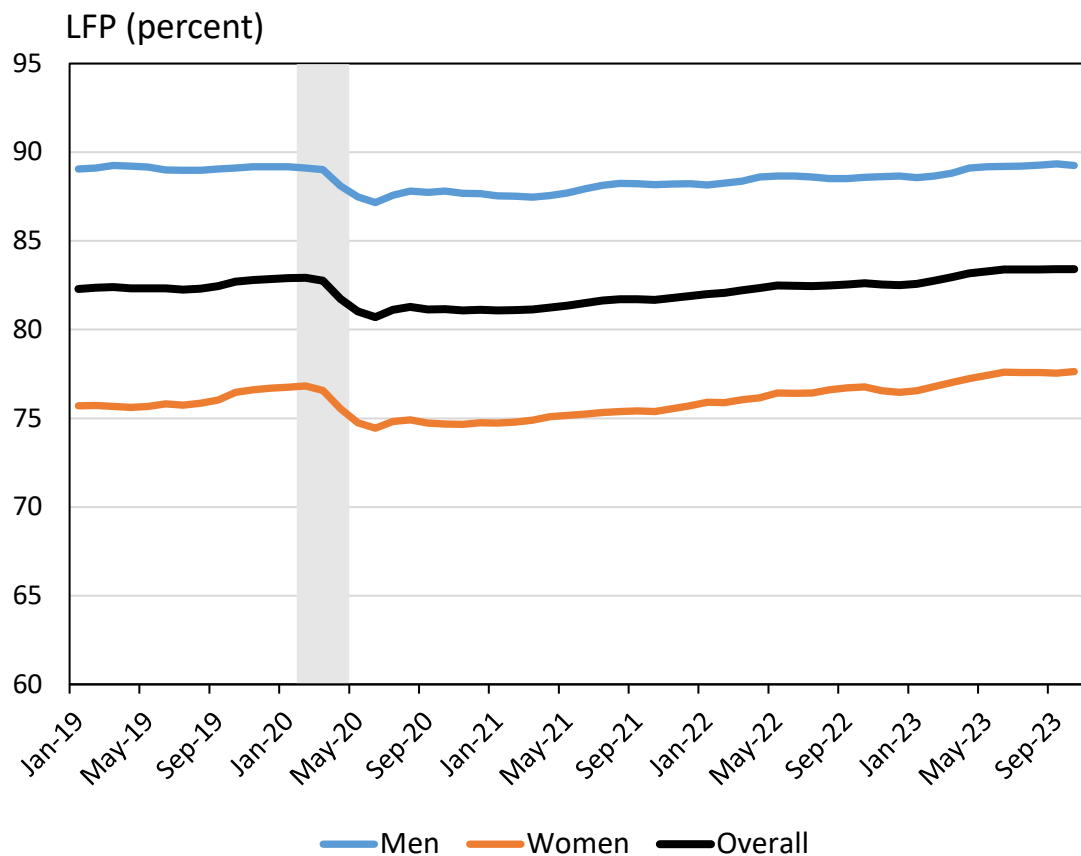


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College LFP gap defined as LFP of college graduates relative to non-graduates.

Labor Force Participation by Gender

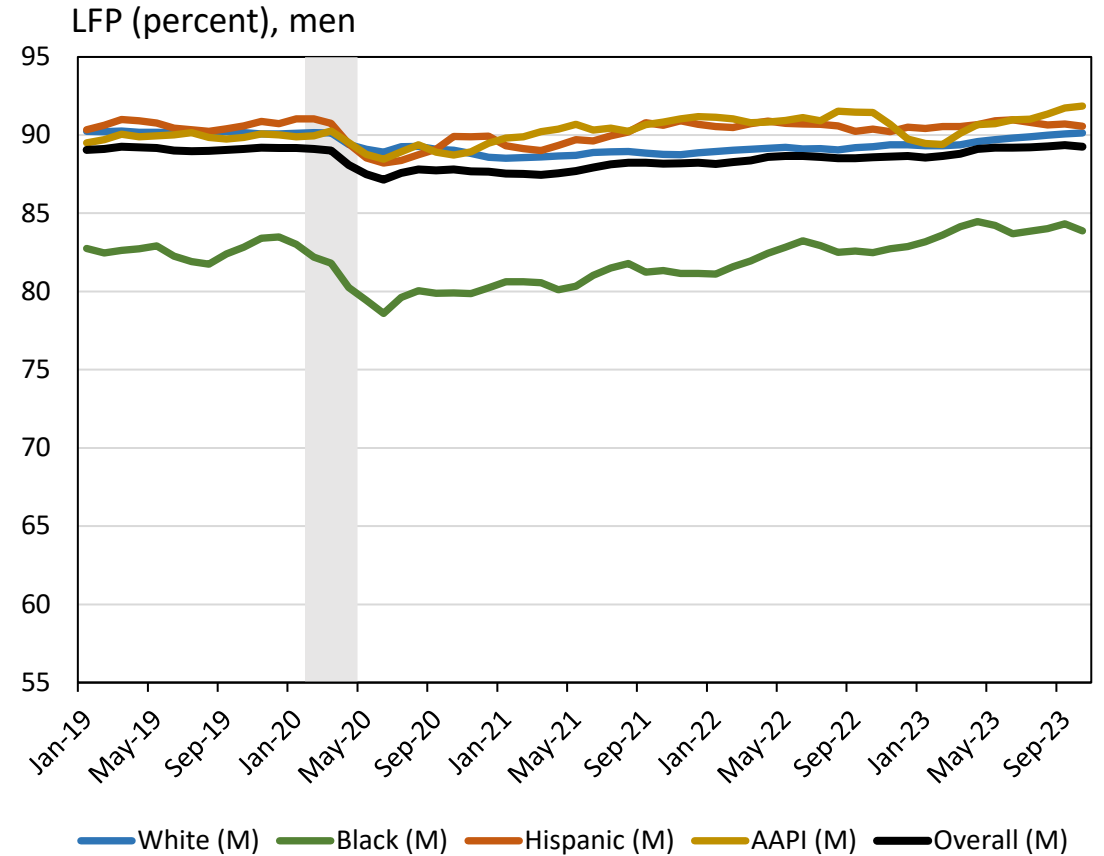
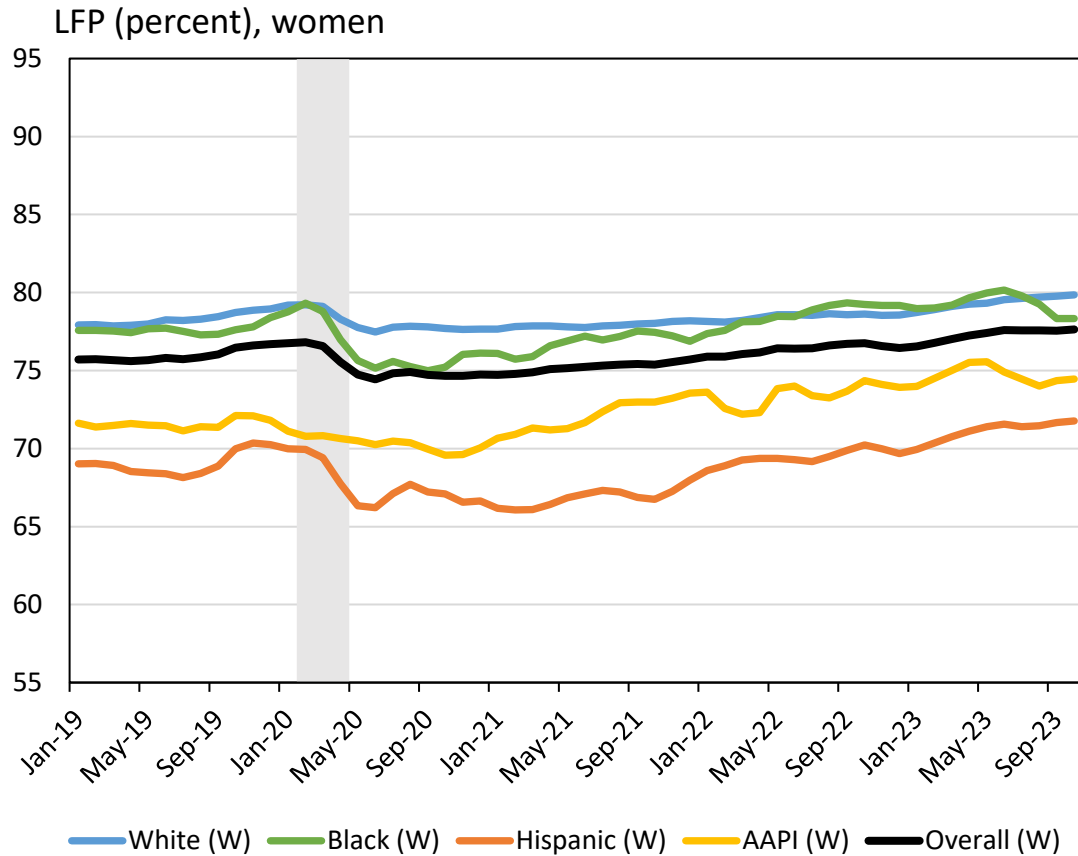


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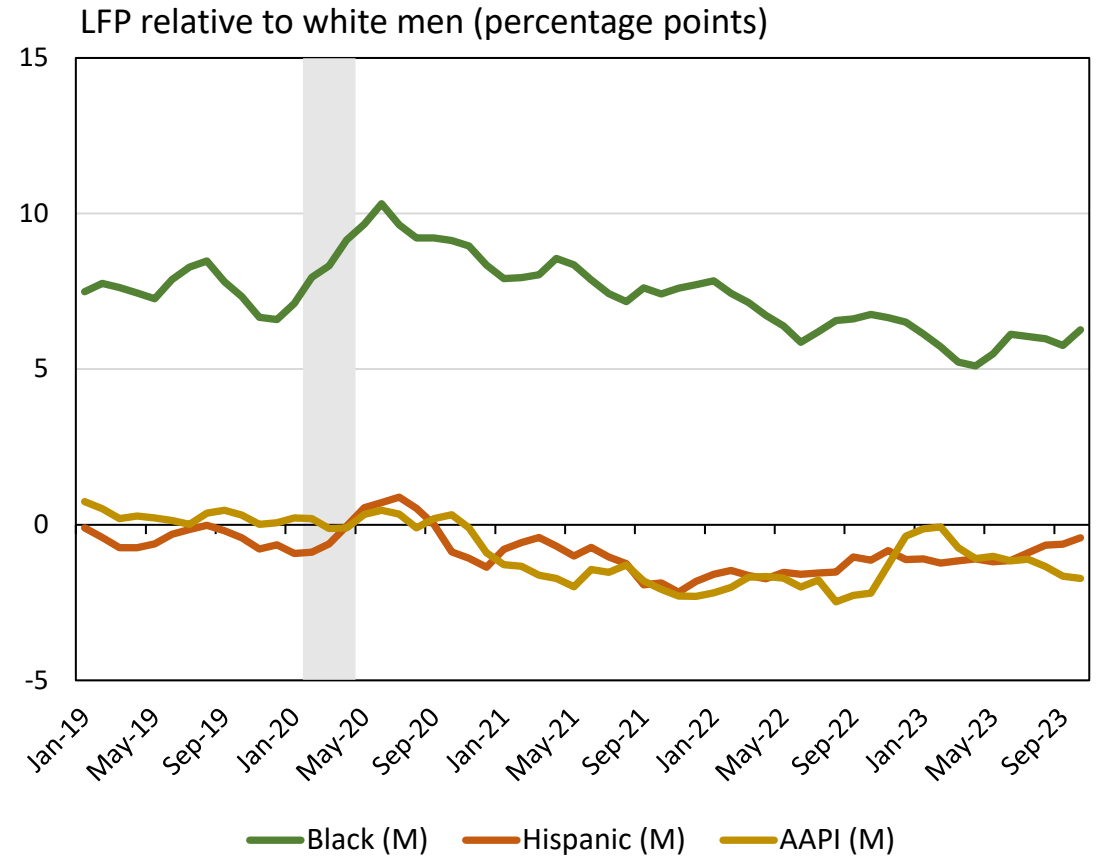
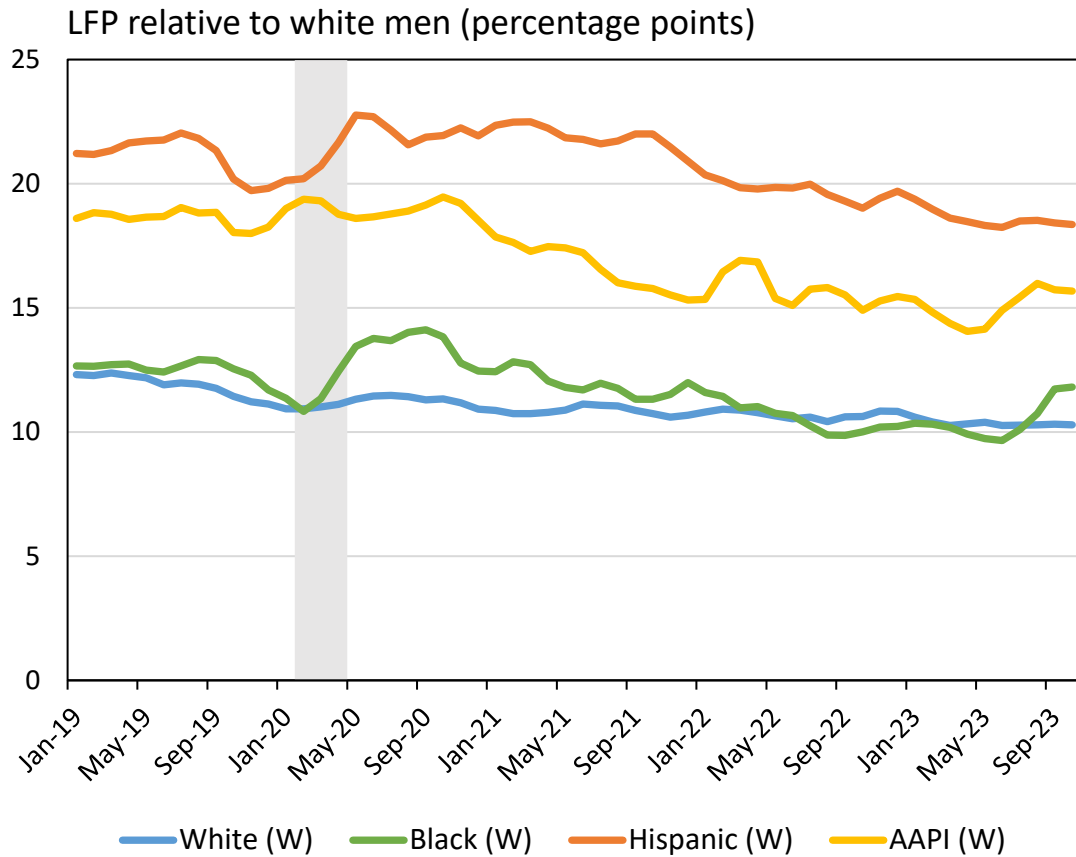
Labor Force Participation by Race x Gender



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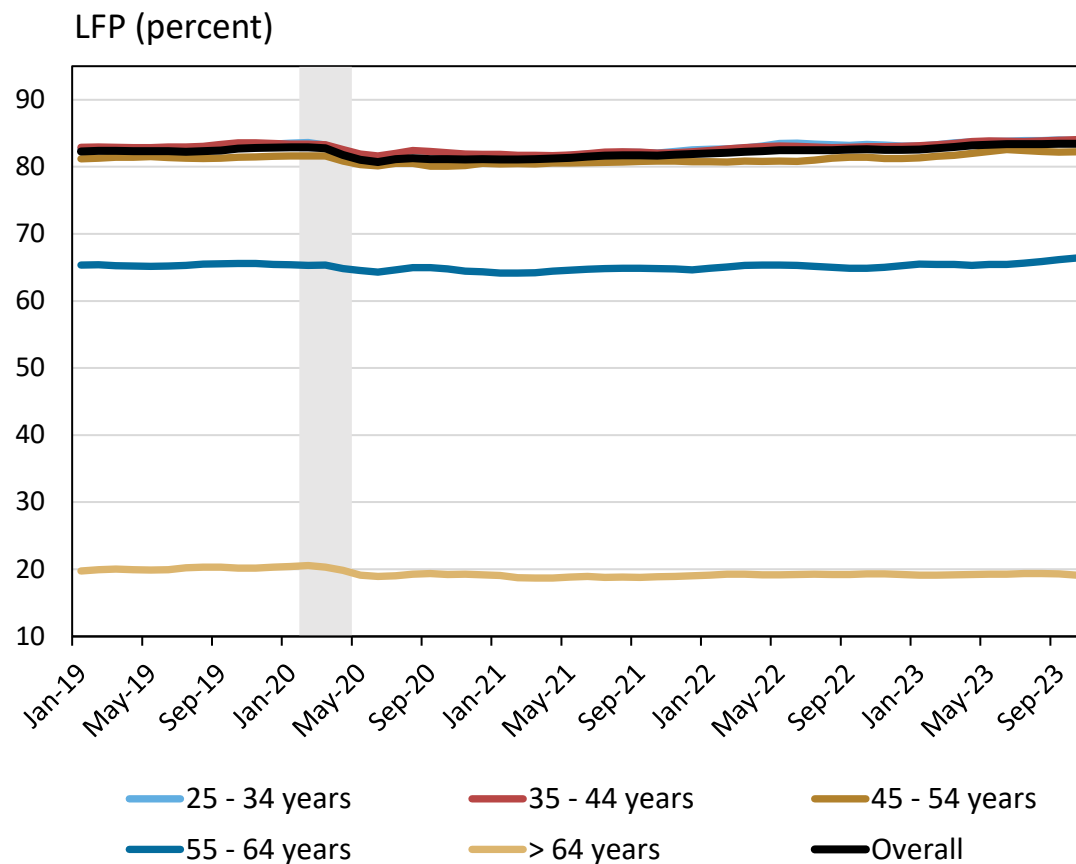
Labor Force Participation Gaps by Race x Gender



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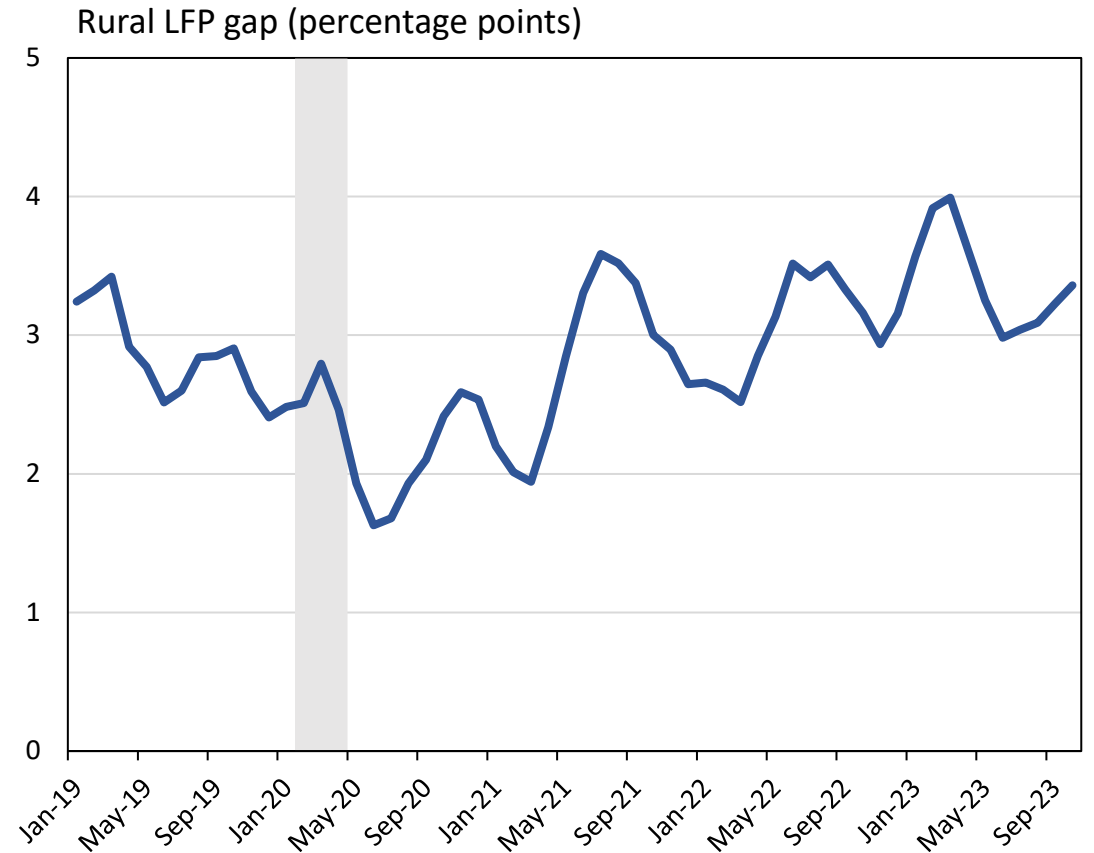
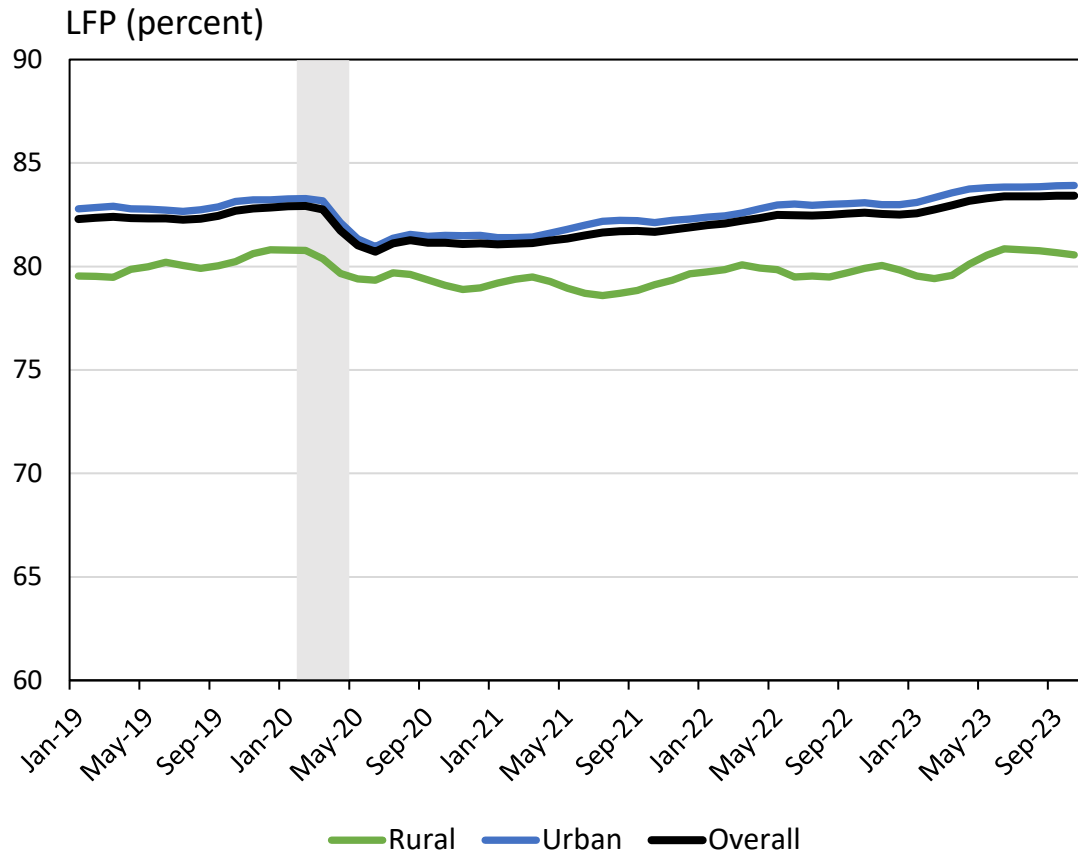
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Labor Force Participation by Urban Status

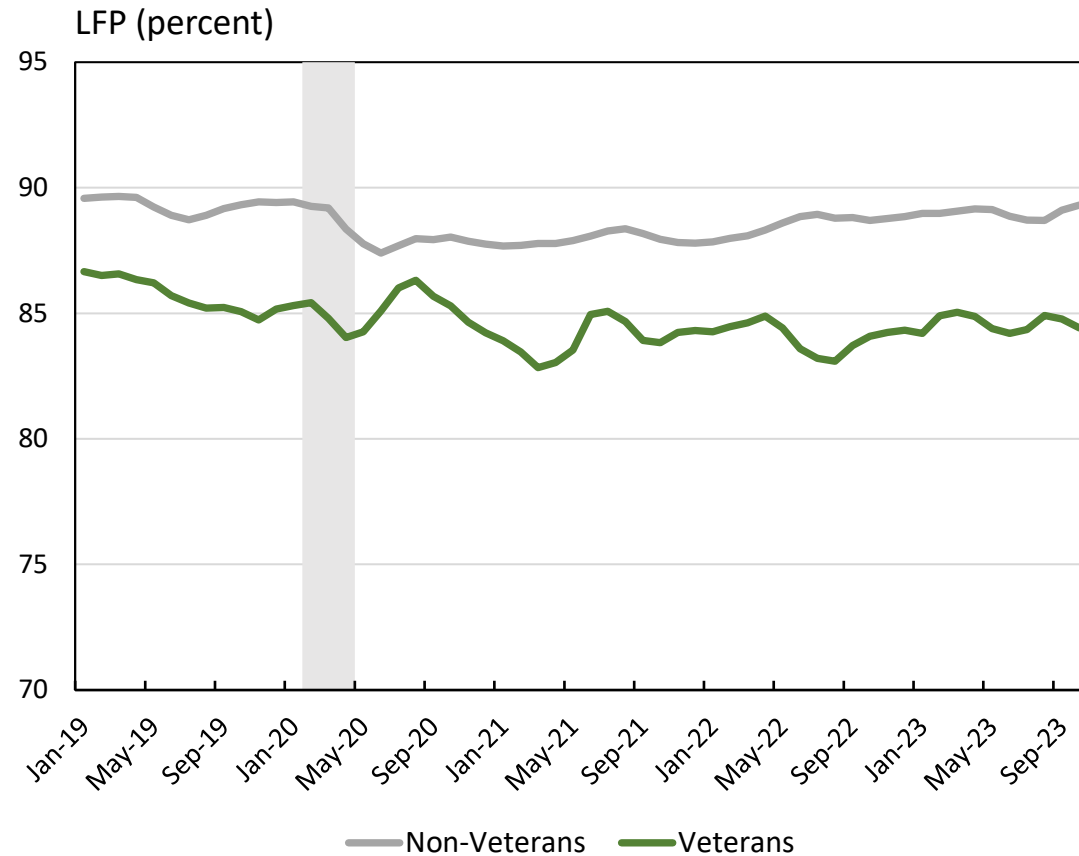


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Labor Force Participation by Veteran Status



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