

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.

EMPLOYMENT: EMPLOYMENT-TO- POPULATION RATIO

UPDATED THROUGH MAY 2024 | NATIONAL

Raji Chakrabarti, Dan Garcia, and Maxim Pinkovskiy

Takeaways | EPOP

- Employment trends have remained steady in 2024:Q2 relative to the several previous quarters.
- The Black employment gap has risen slightly (5.07 percentage points by May 2024) while the Hispanic employment gap has fallen to 3.83 percentage points and the AAPI employment gap has remained steady since February 2024.
- The employment gap for Black men (relative to white men) is smaller than during the pre-pandemic period but is still sizeable (7.65 percentage points). In contrast, the employment gap for Black women relative to white women is only 2.19 percentage points.
- The gender gap decreased in 2024:Q2 to 10.73 percentage points in May 2024, while the college employment gap remained stable.
- The rural-urban employment gap declined in 2024:Q2 to 2.72 percentage points in May.
- Employment for veterans has declined in 2024:Q2 and is 81.15 percentage points in May 2024, compared with over 86.5 percentage points for a group of comparable non-veterans*.

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

Full Report Highlights

- **INFLATION**

Inflation rose in the Northeast relative to the rest of the country, moving the Northeast from being the region with the least inflation (0.72 percentage point below the national average in February 2024) to the region with the most (0.64 percentage point above the national average in May 2024).

- **EARNINGS**

Racial, ethnic, and gender gaps in earnings declined in 2024:Q2, but this was in part because the nominal and real earnings of white workers and men declined in 2024:Q2. However, the Black-white and the gender earnings gaps continued on their gradually declining trends since the pre-pandemic period.

- **EMPLOYMENT**

Labor market trends have continued as in 2024:Q1, with the gender employment and LFP gaps declining and other gaps being close to their pre-pandemic levels.

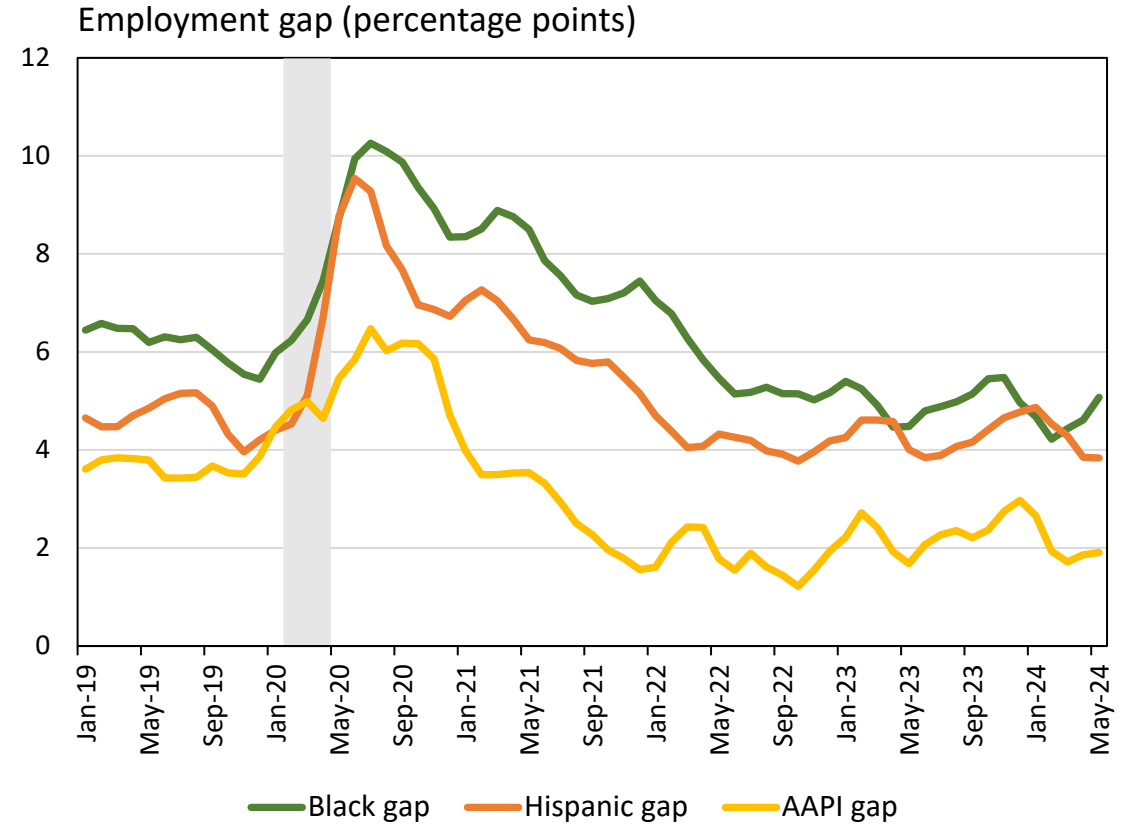
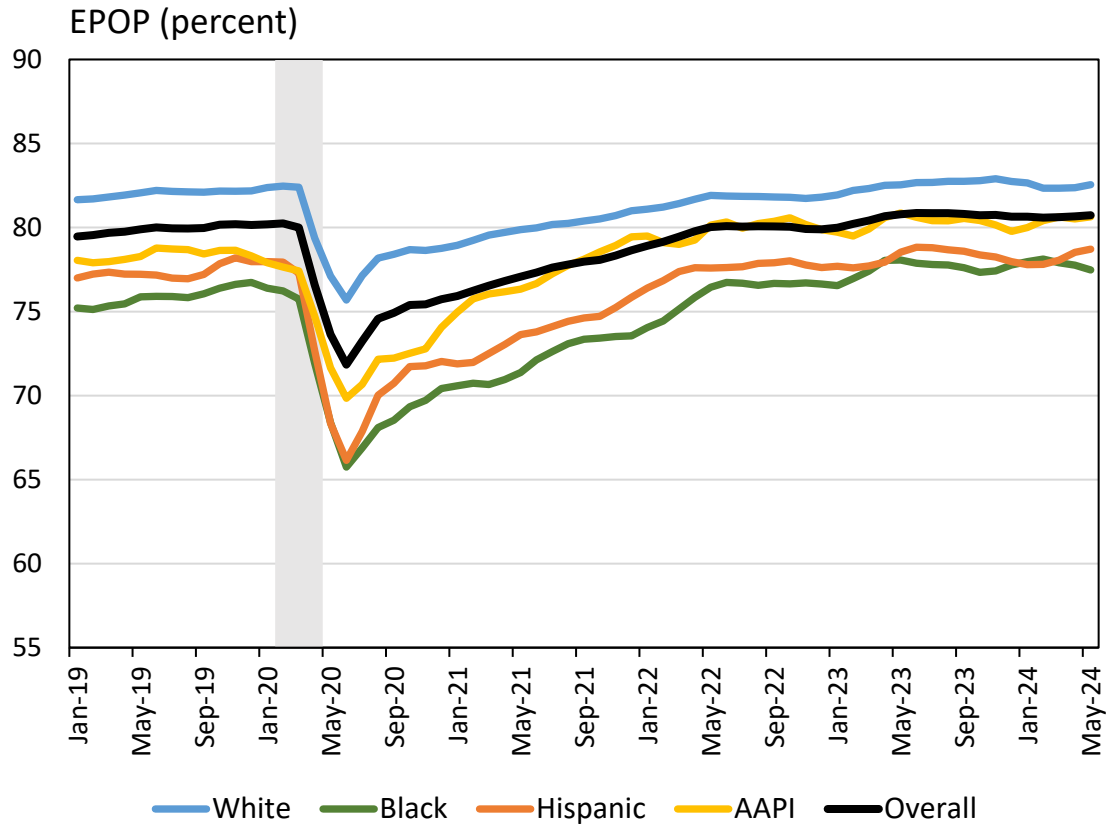
- **WEALTH INEQUALITY**

Growth in wealth after 2019 was faster for some groups with little wealth relative to population but did not meaningfully reduce stark wealth inequalities across demographic groups.

Data & Methods

- We compute employment using weighted estimates from the Current Population Survey (CPS).
- Comparable non-veterans 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 the unemployment rate between different groups.
- The gender gap is defined as the percentage point difference in the employment statistic of women relative to men.
- The racial gaps are similarly defined as the difference between the employment of workers in the given racial or ethnic group relative to white workers.
- The college employment gap is calculated relative to non-college educated workers.
- The rural employment gap is defined relative to rural workers.

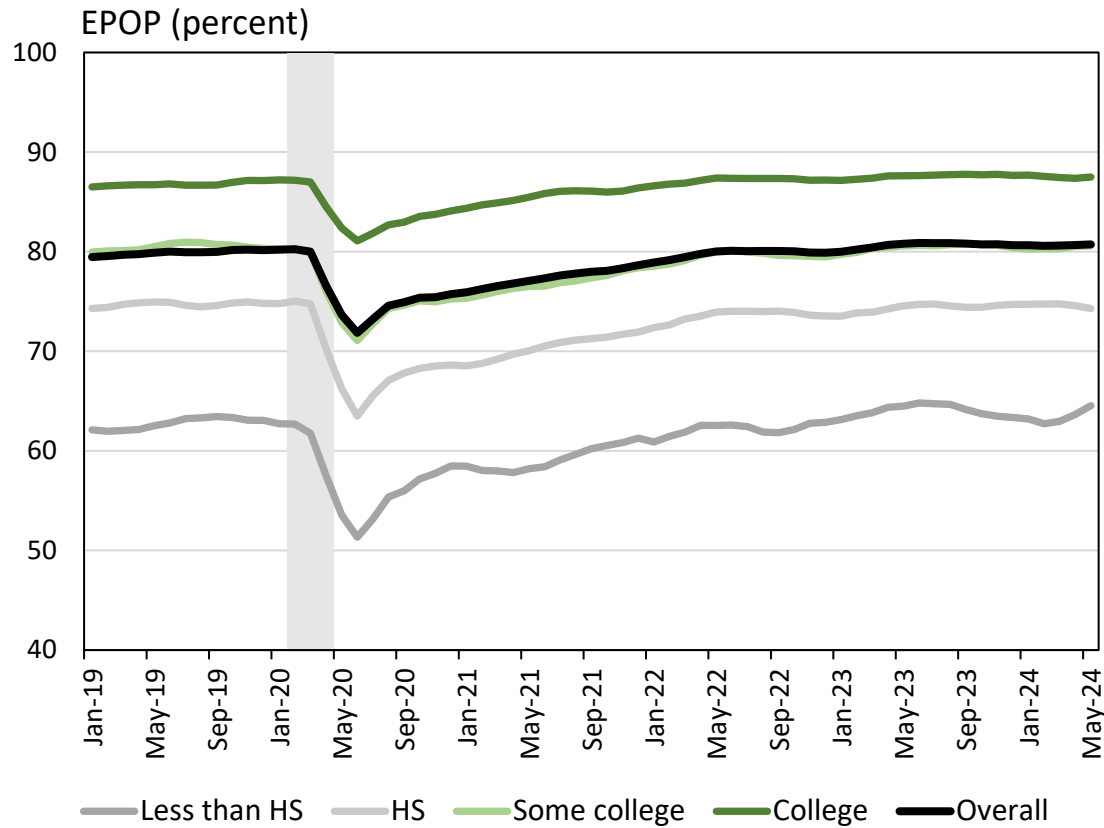
EPOP by Race/Ethnicity



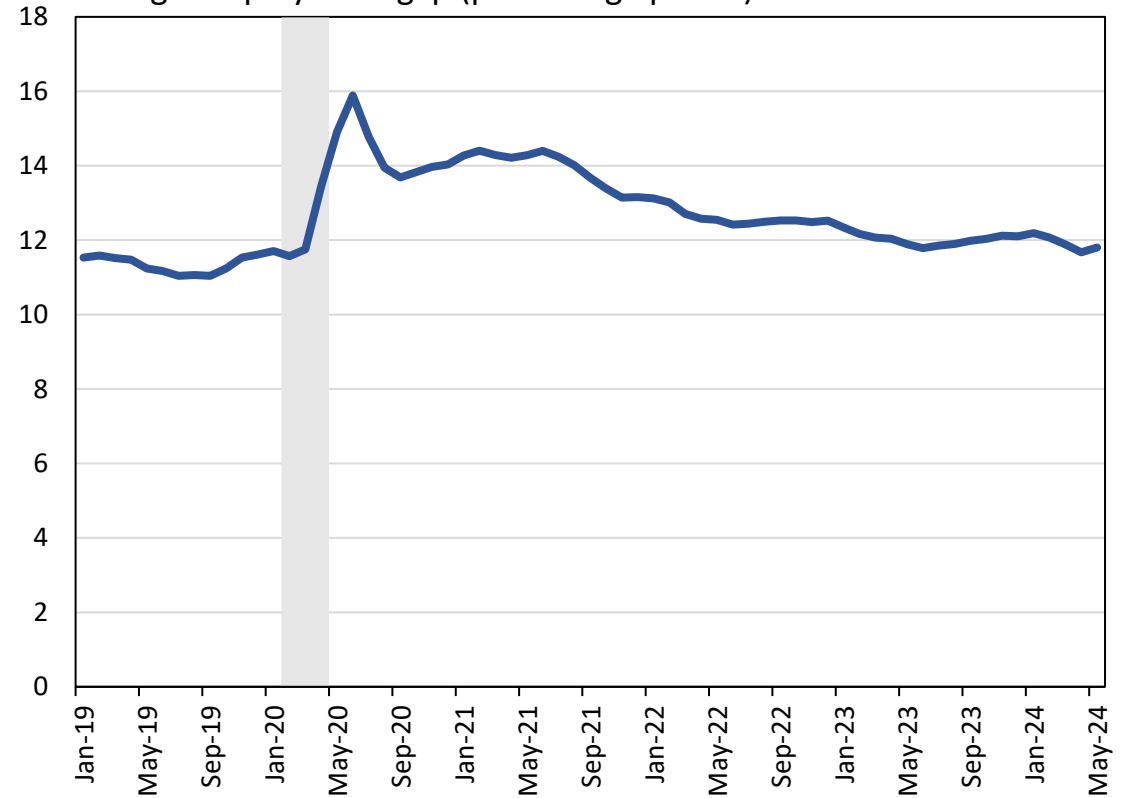
Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.
 Notes: Restricted to prime-age individuals (25-54). Shaded region indicates the COVID-19 recession.

Employment gap defined relative to white employment.

EPOP by Education



College employment gap (percentage points)

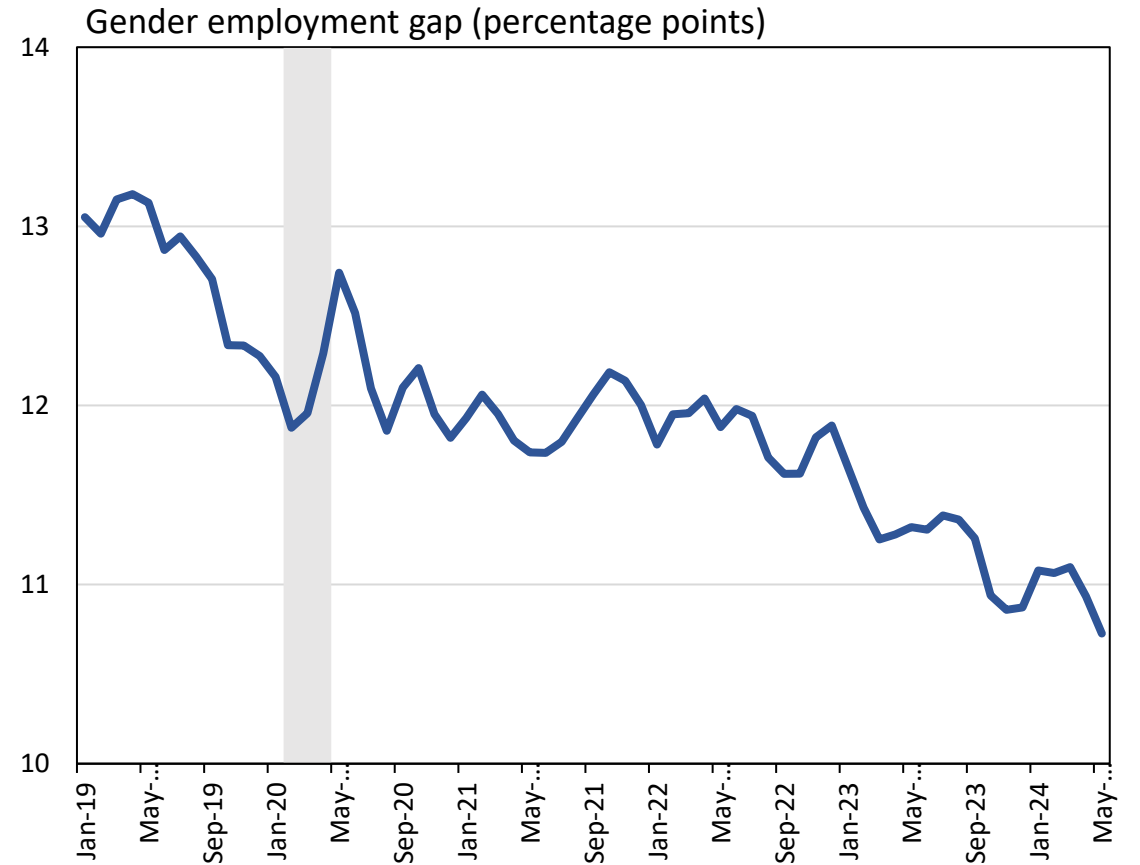
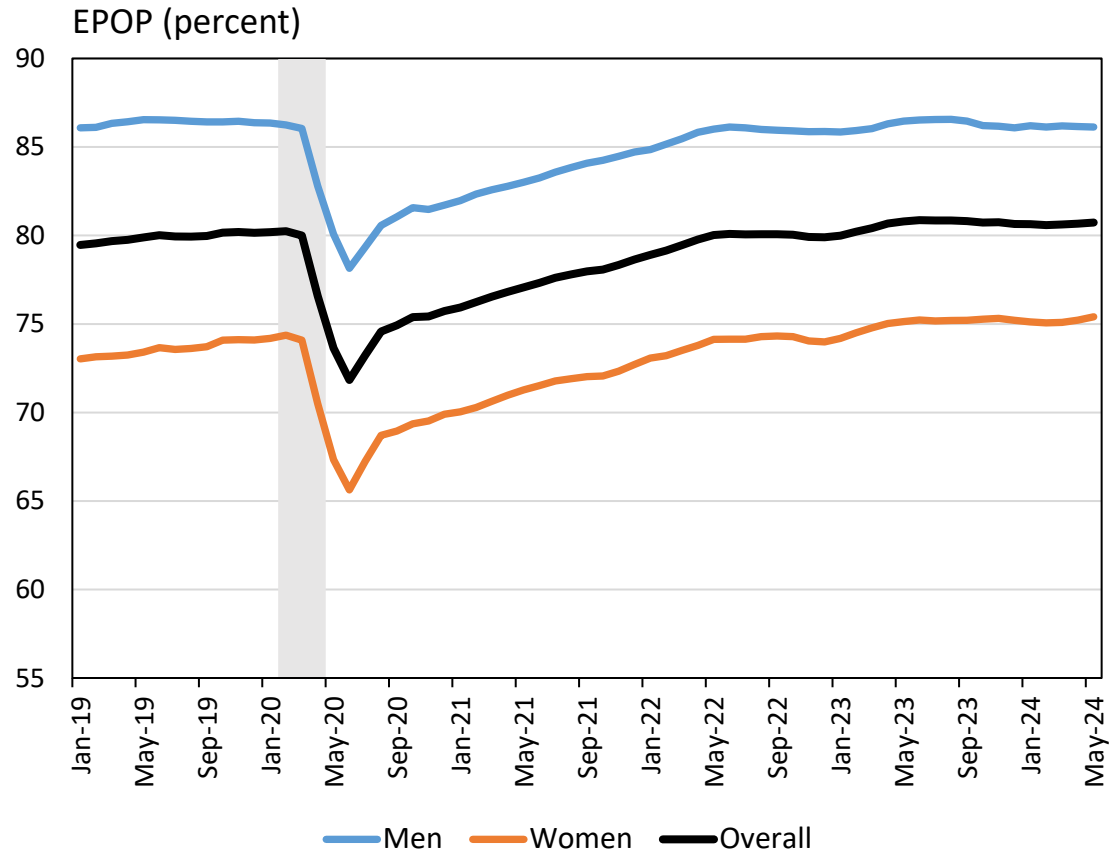


Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.

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

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

EPOP by Gender

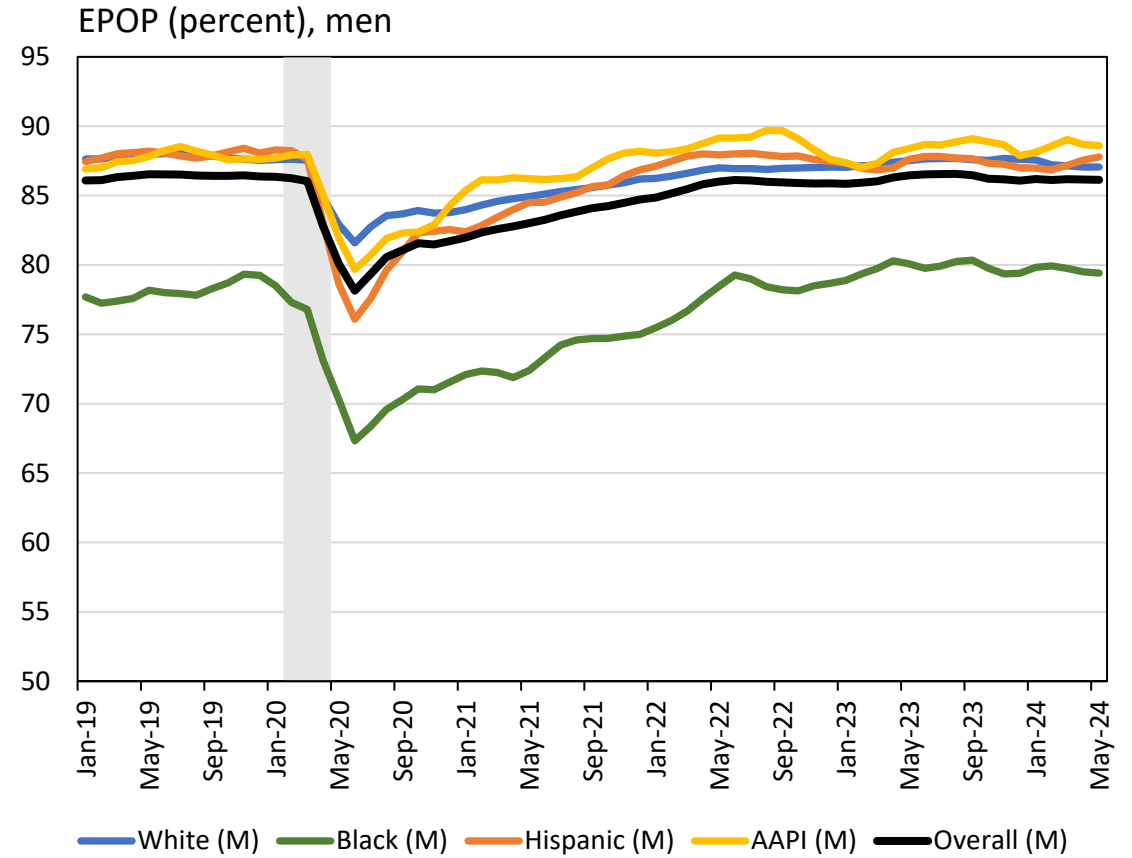
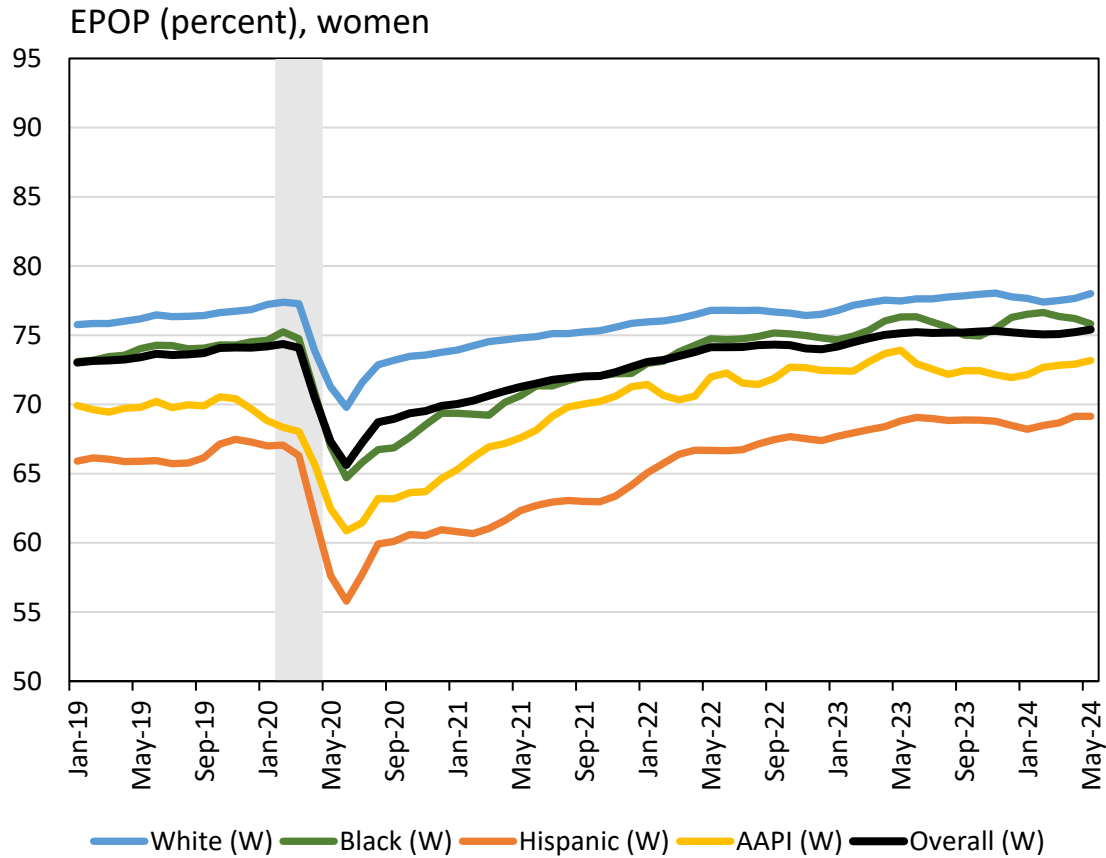


Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.

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

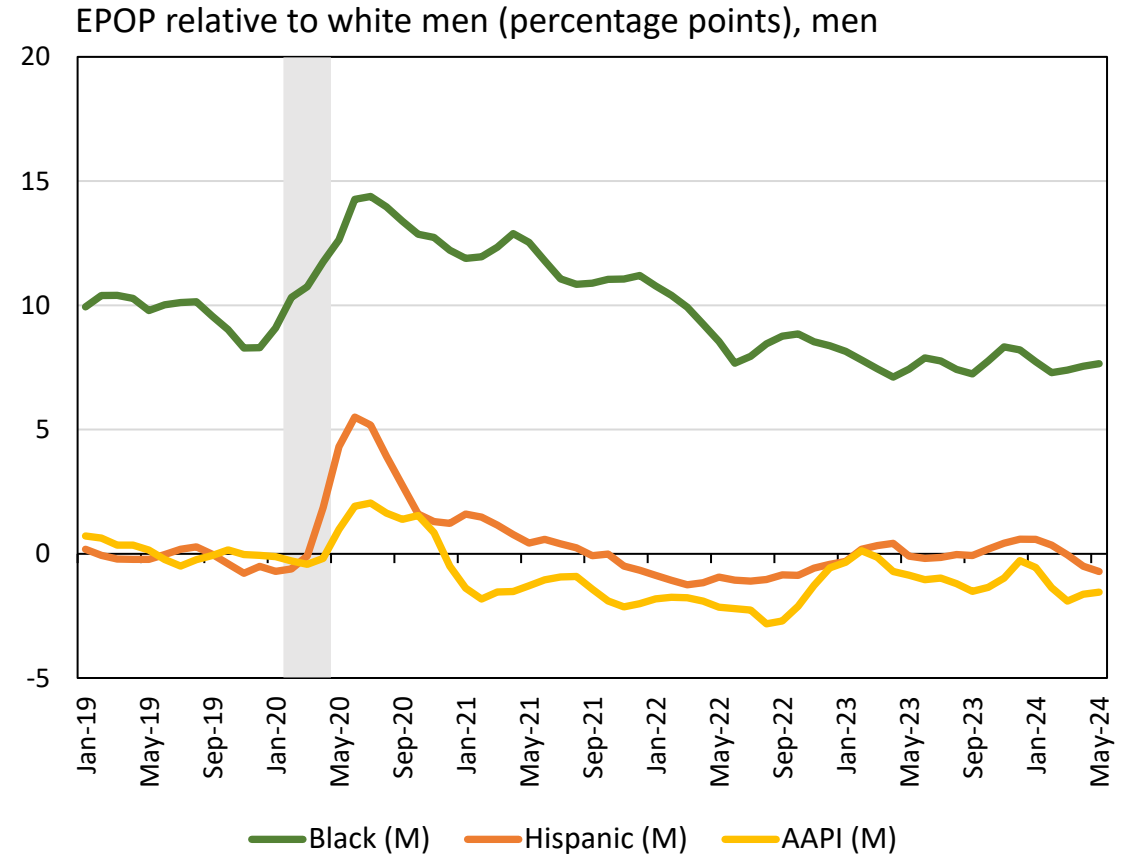
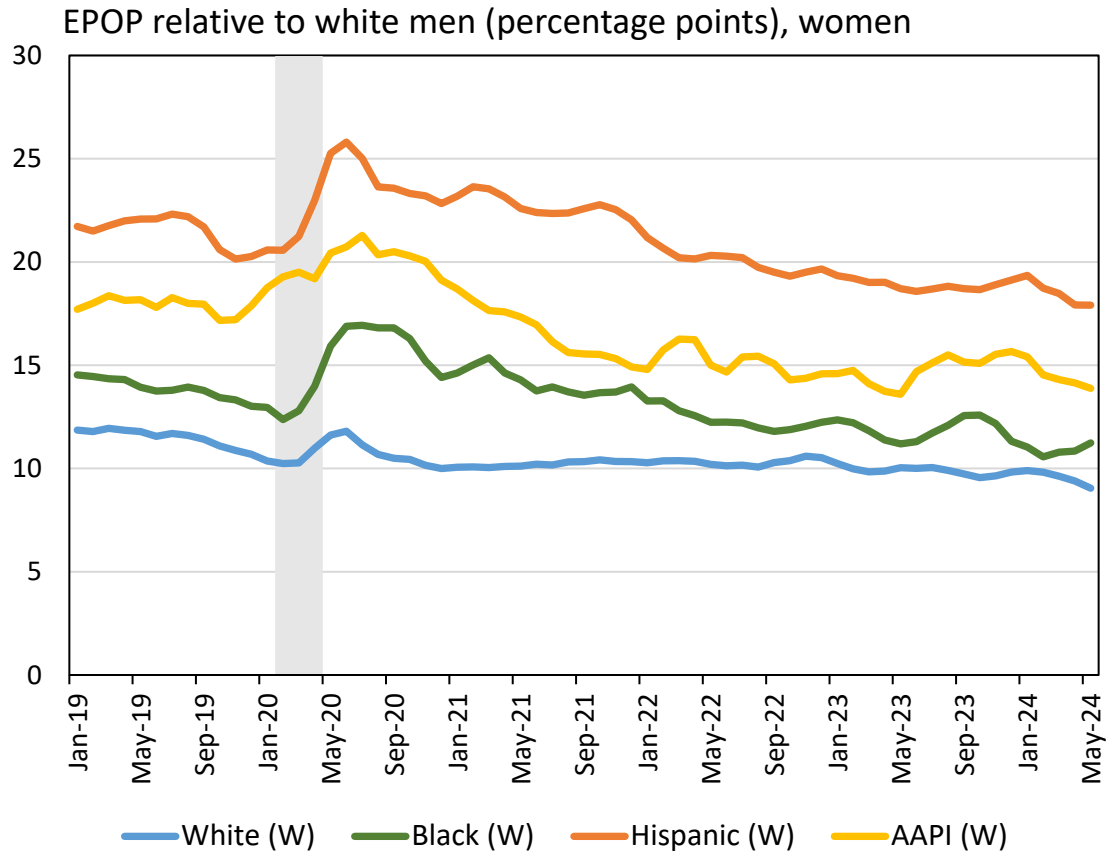
EPOP by Race x Gender



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

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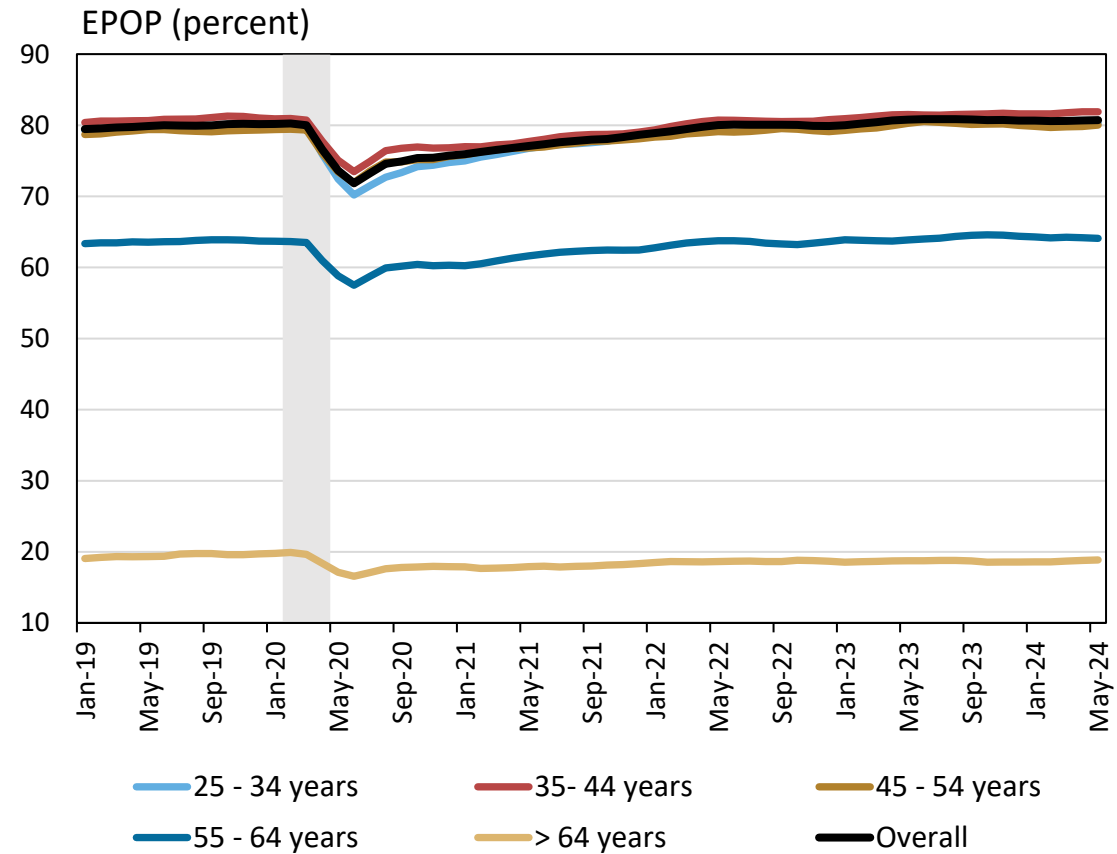
EPOP Gaps by Race x Gender



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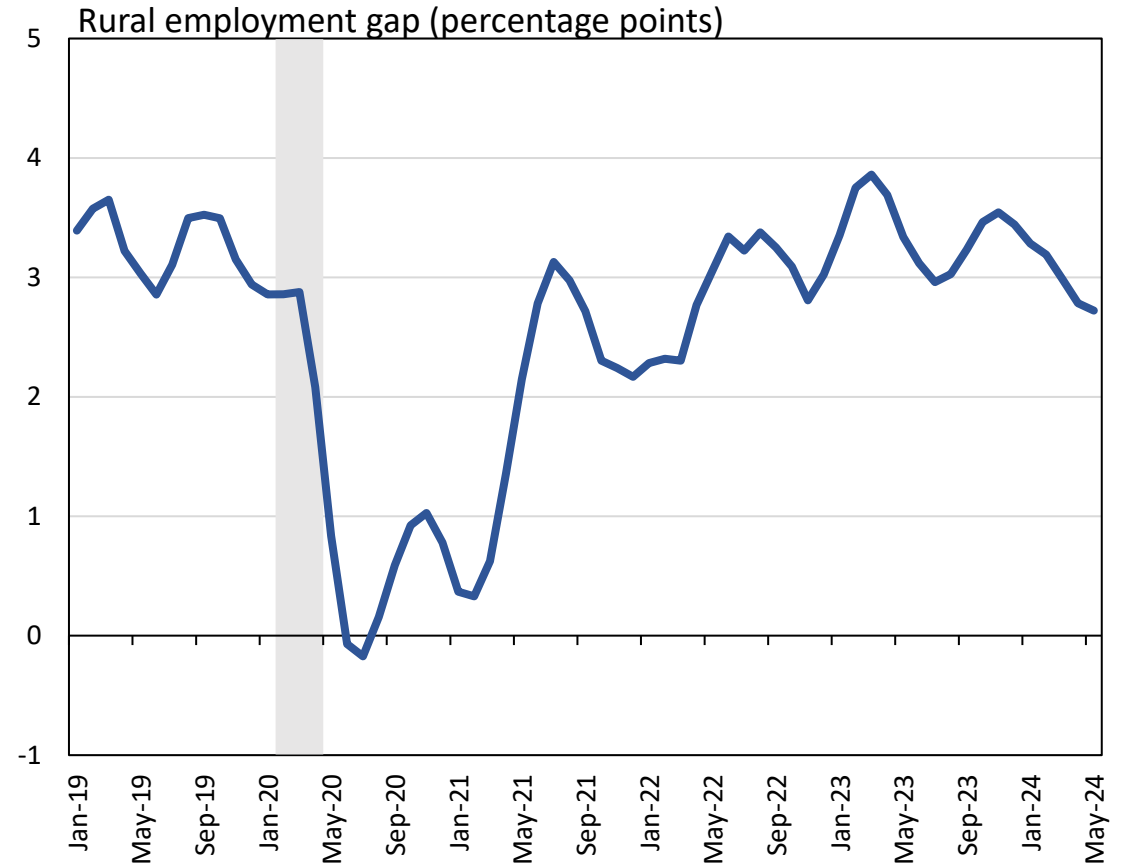
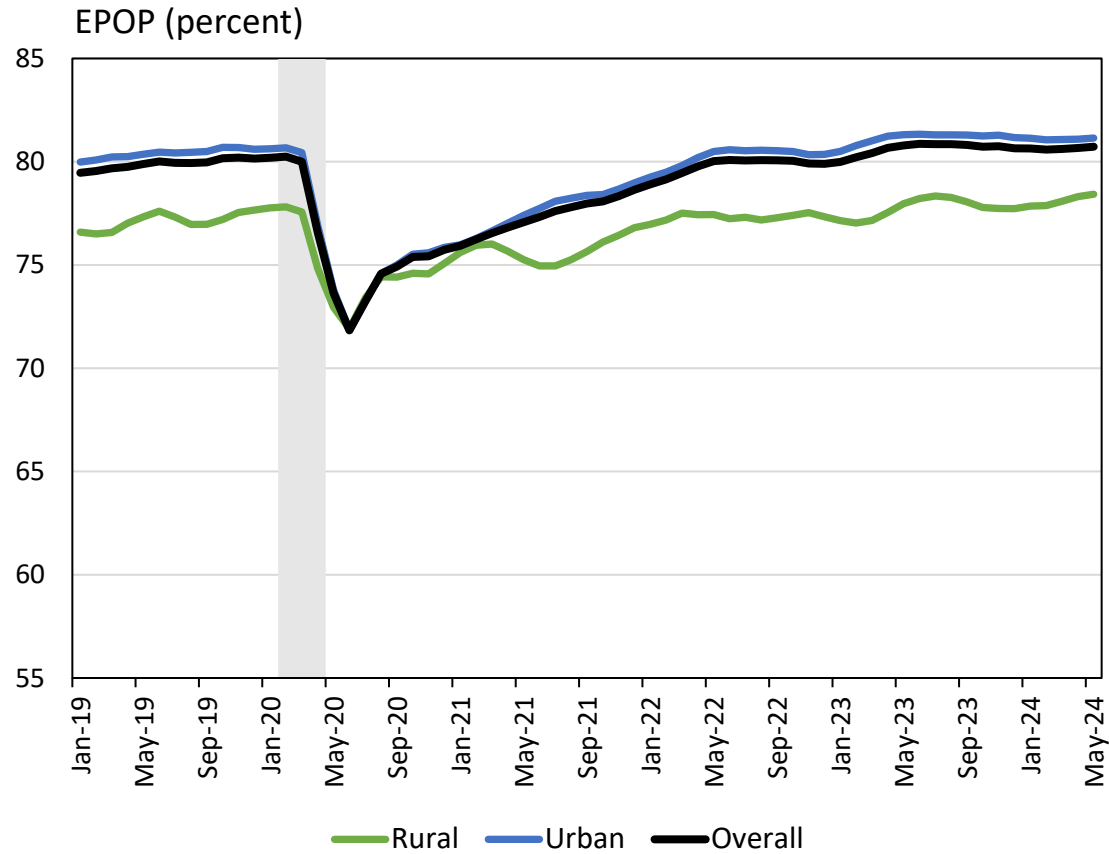
EPOP by Age



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

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

EPOP by Urban Status

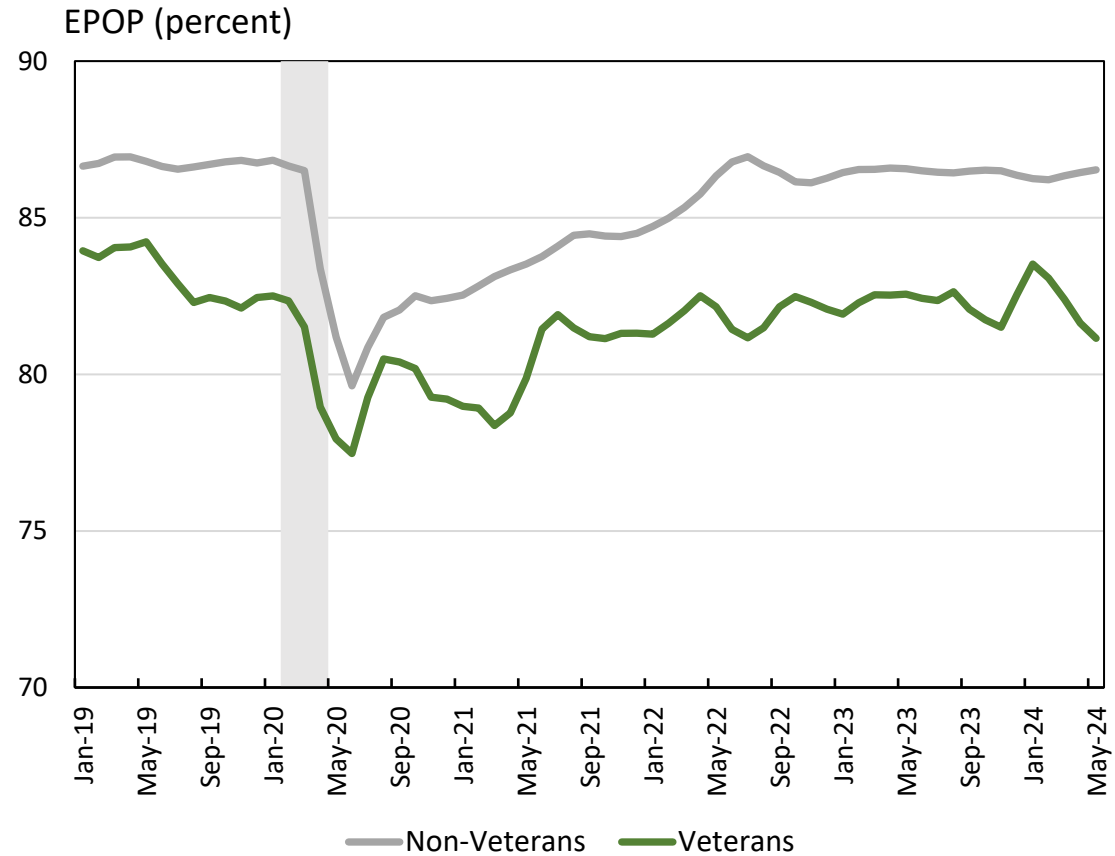


Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.

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

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

EPOP by Veteran Status



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

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

EMPLOYMENT: UNEMPLOYMENT RATE

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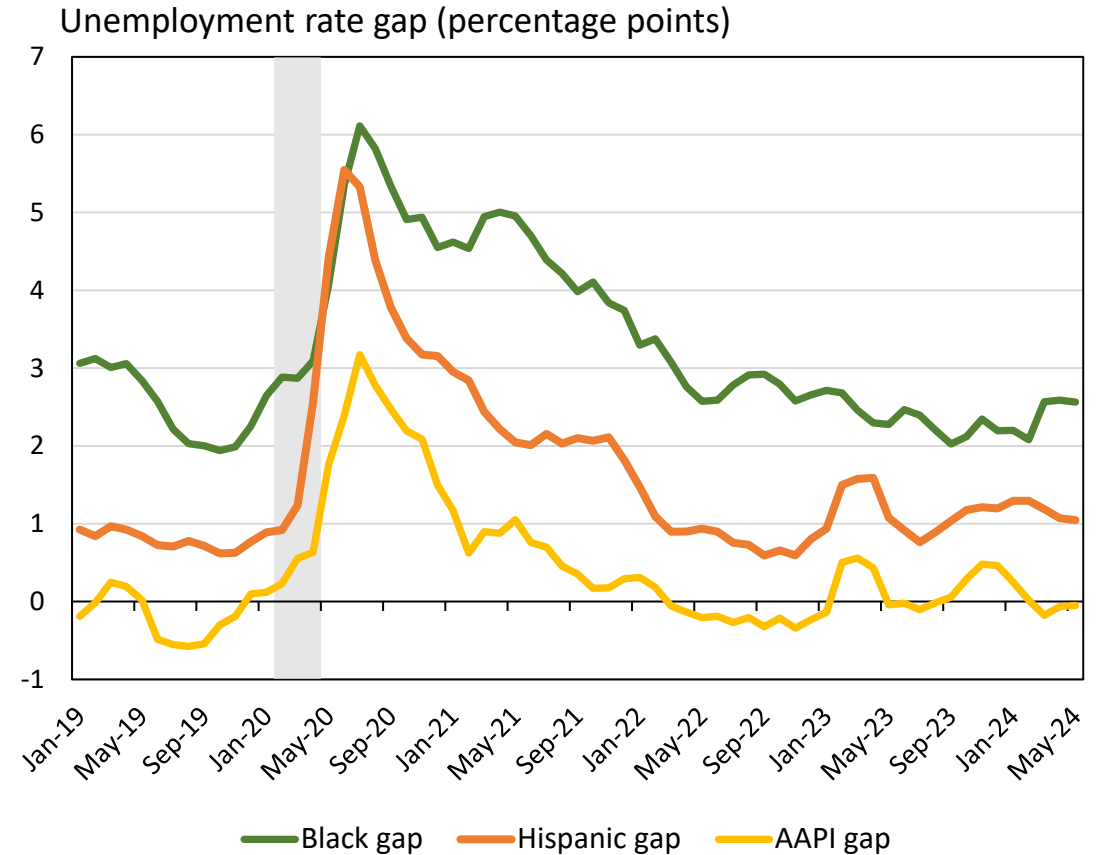
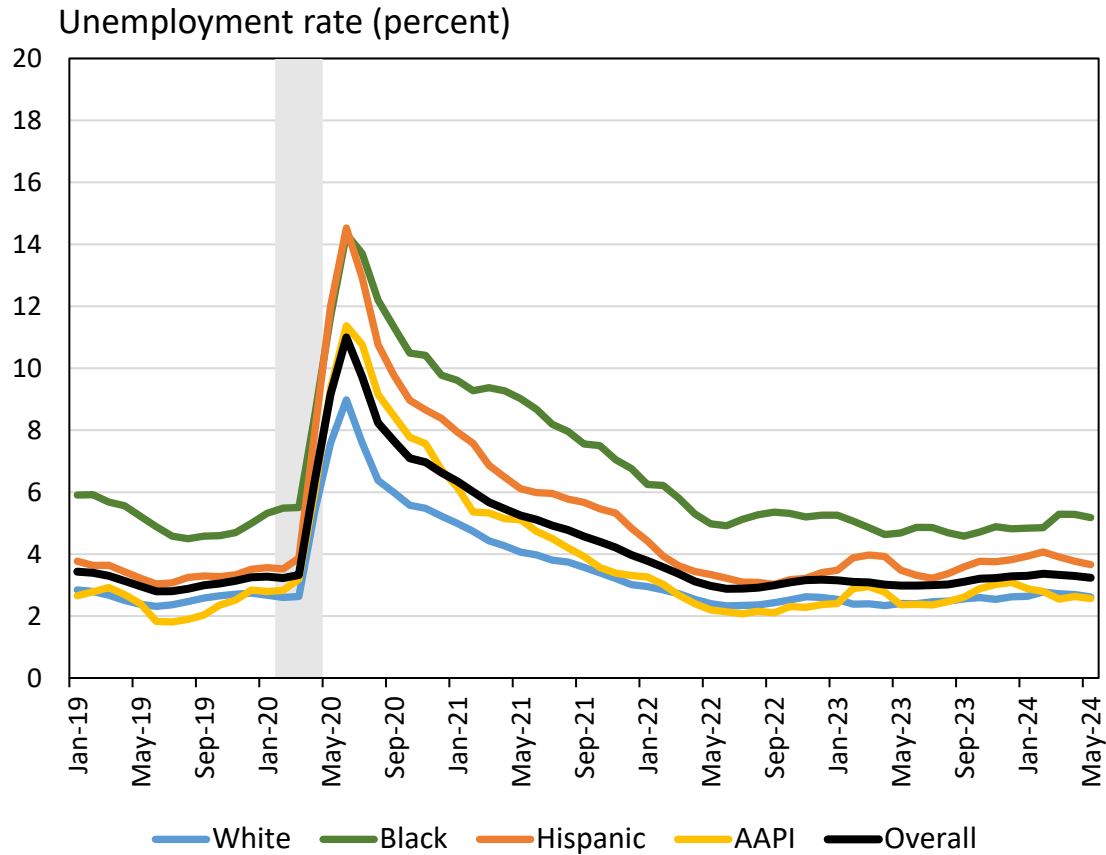
Raji Chakrabarti, Dan Garcia, and Maxim Pinkovskiy

Takeaways | Unemployment Rate

- Overall unemployment fell to 3.23% in May 2024.
- Demographic gaps in unemployment are close to their pre-pandemic levels. As of May 2024, Black workers have an unemployment rate that is 2.56 percentage points higher than the national average, while Hispanic workers have an unemployment rate that is 1.05 percentage points higher than the national average.
- The college unemployment rate gap fell to 2.18 points in 2024:Q2, down from a peak of over 7 percentage points during the summer of 2020, and close to its pre-pandemic level.
- The gender unemployment gap remains negative, while the veterans unemployment gap relative to comparable non-veterans* has turned positive.

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

Unemployment Rate by Race/Ethnicity

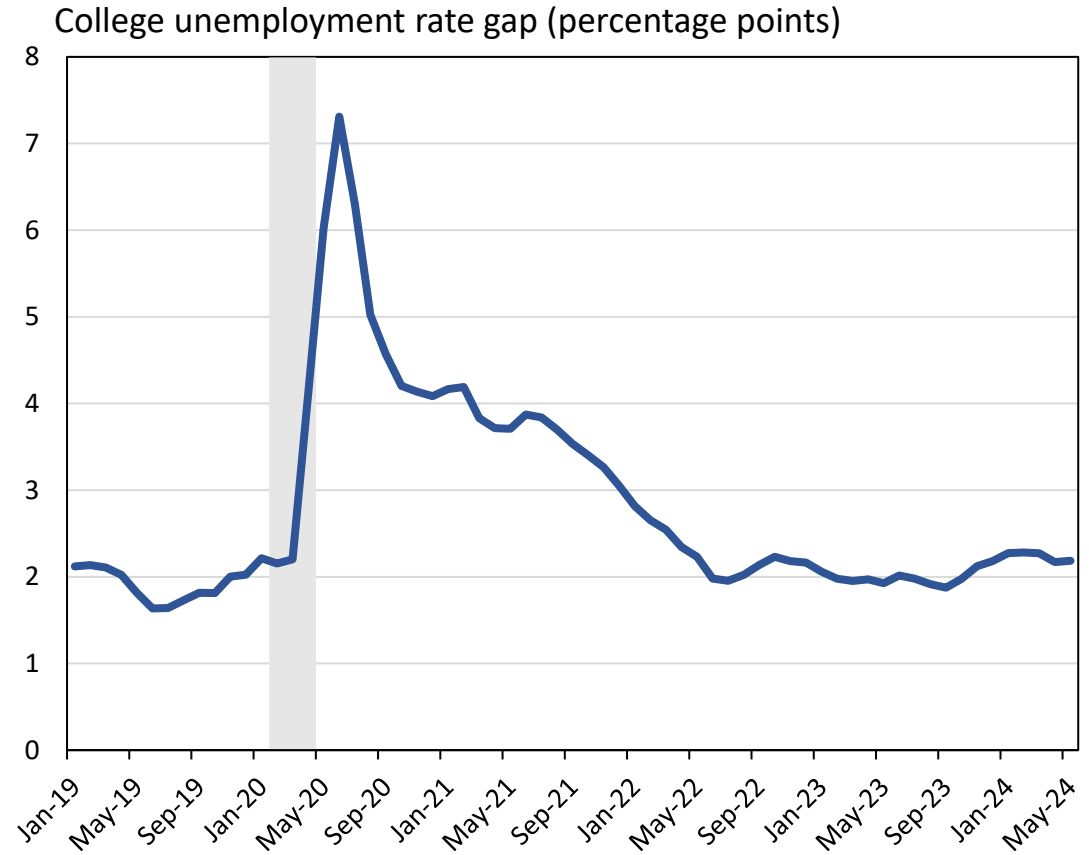
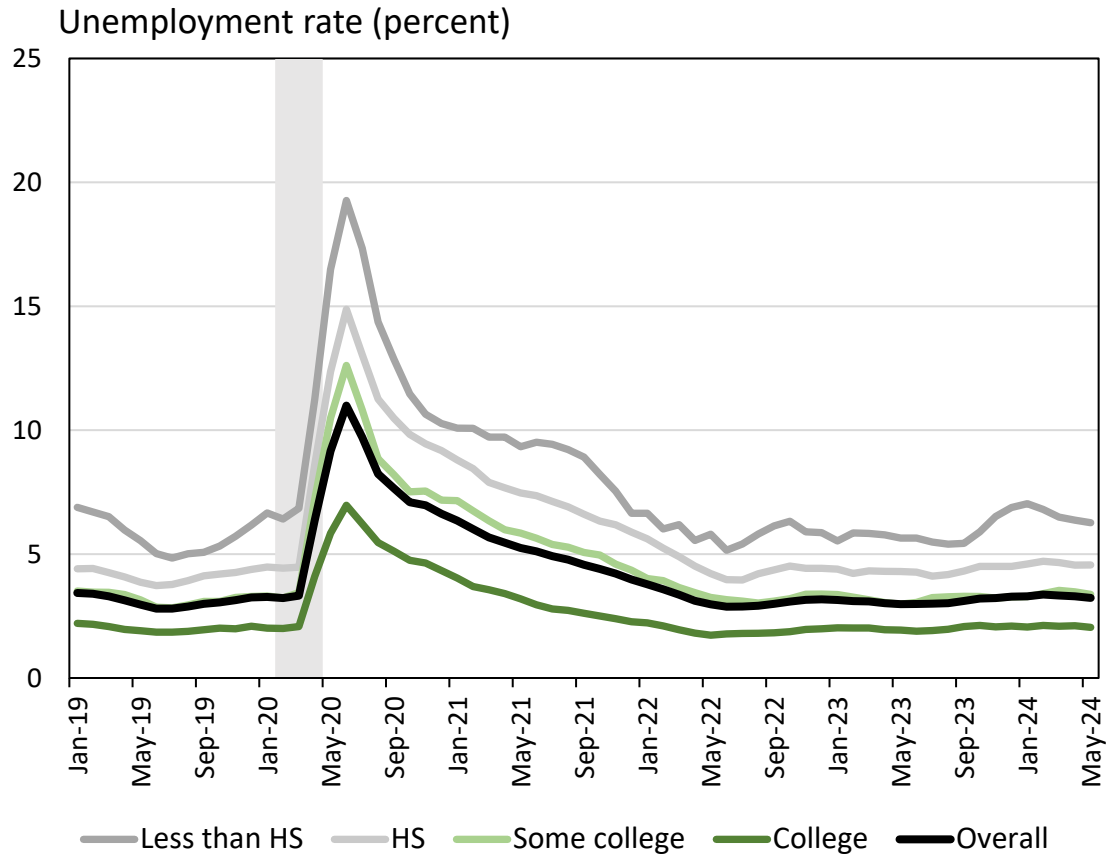


Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.

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

Unemployment gap defined relative to white unemployment.

Unemployment Rate by Education

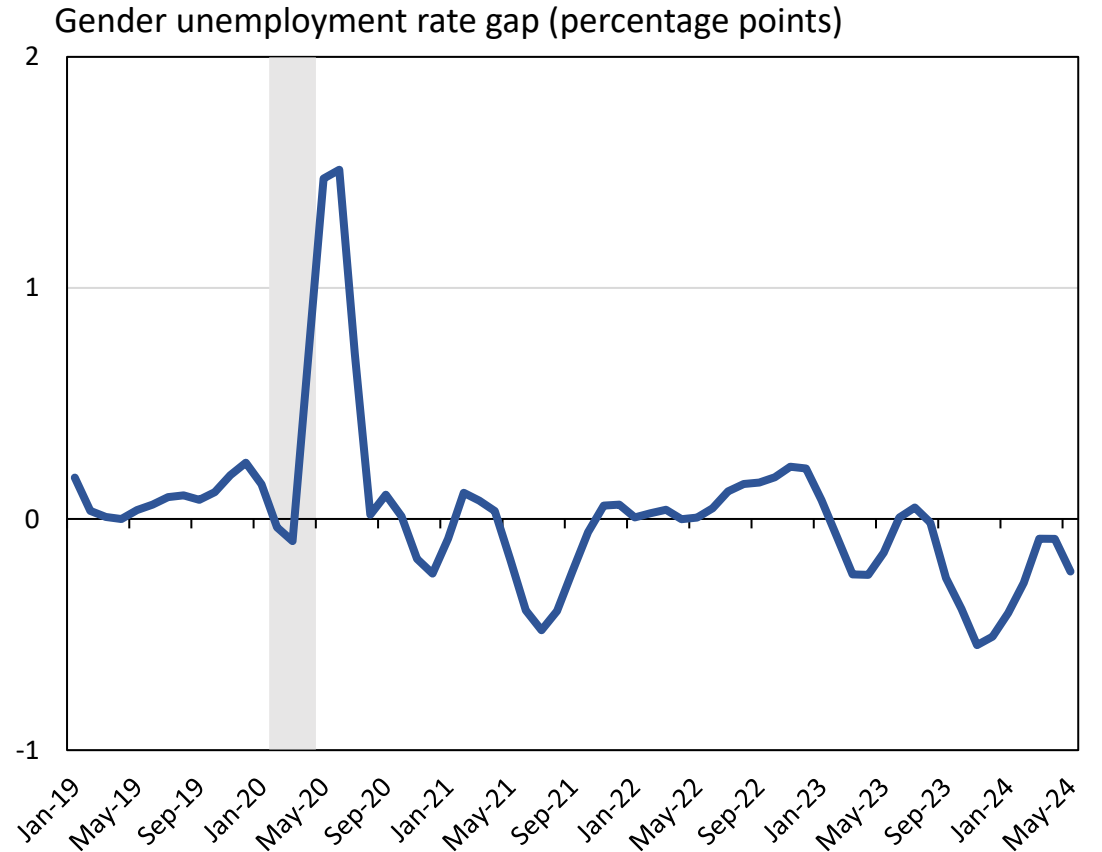
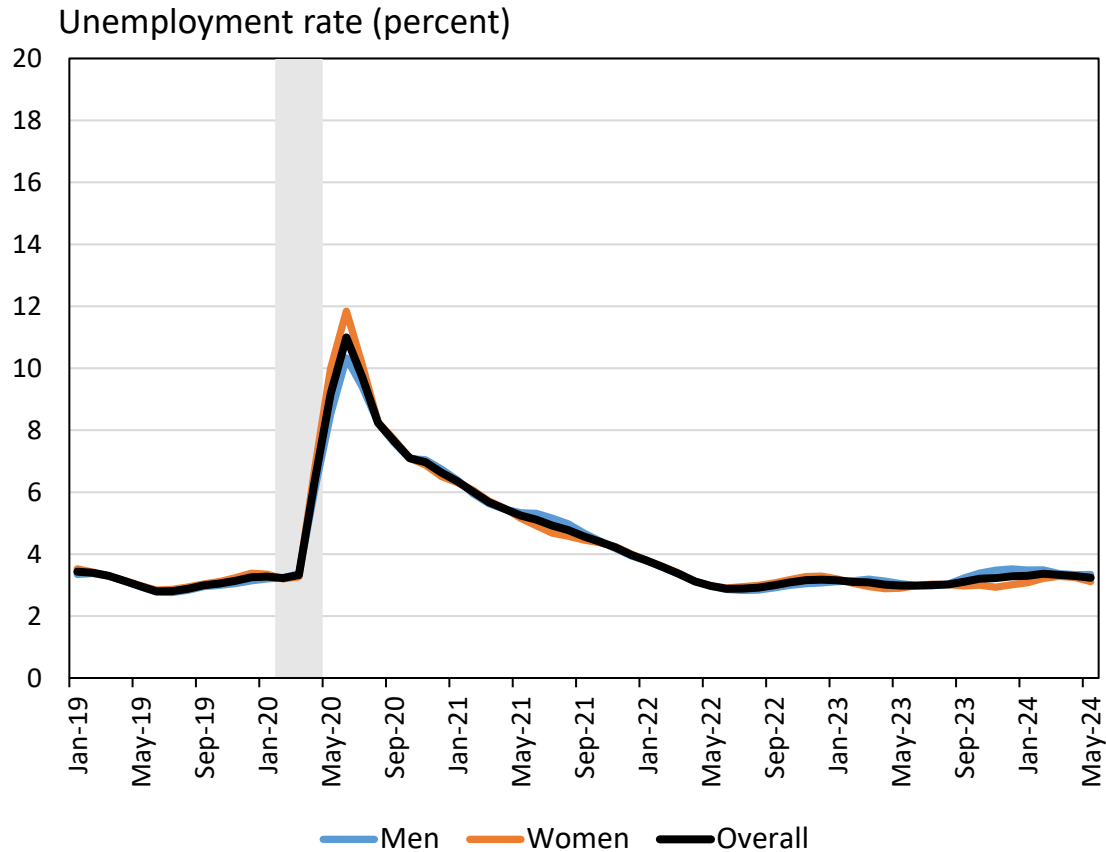


Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.

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

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

Unemployment Rate by Gender



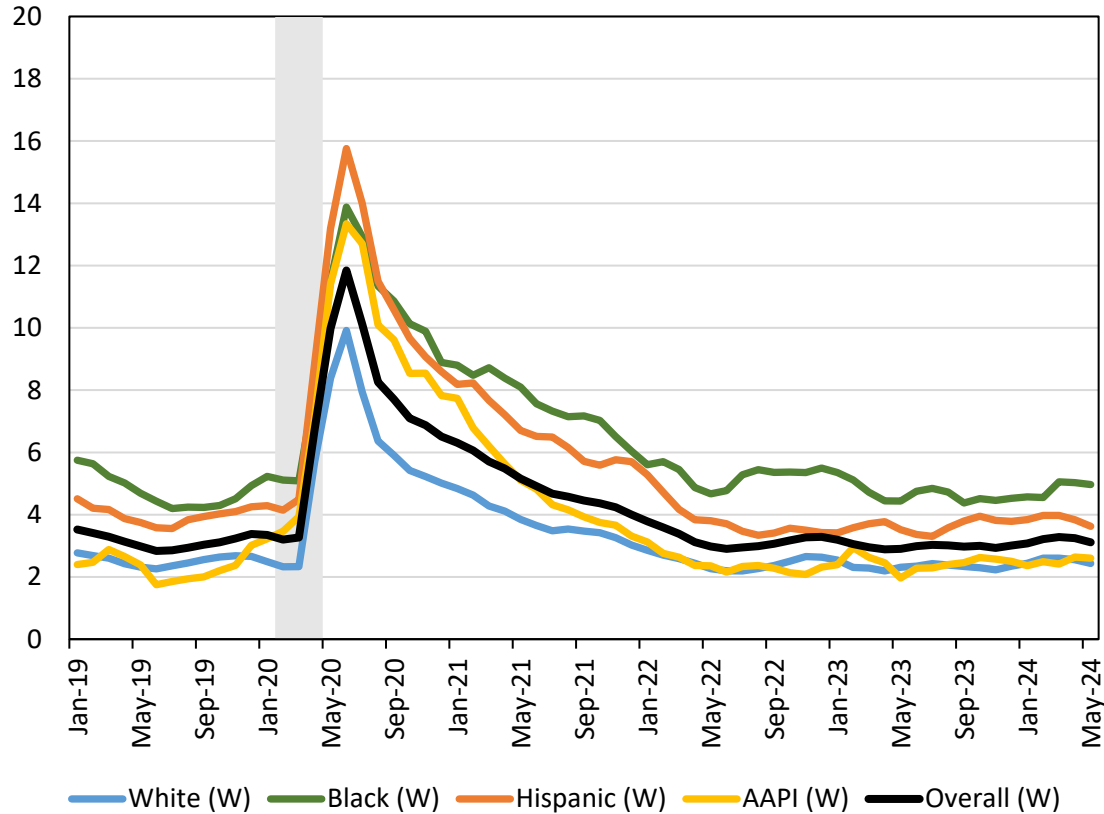
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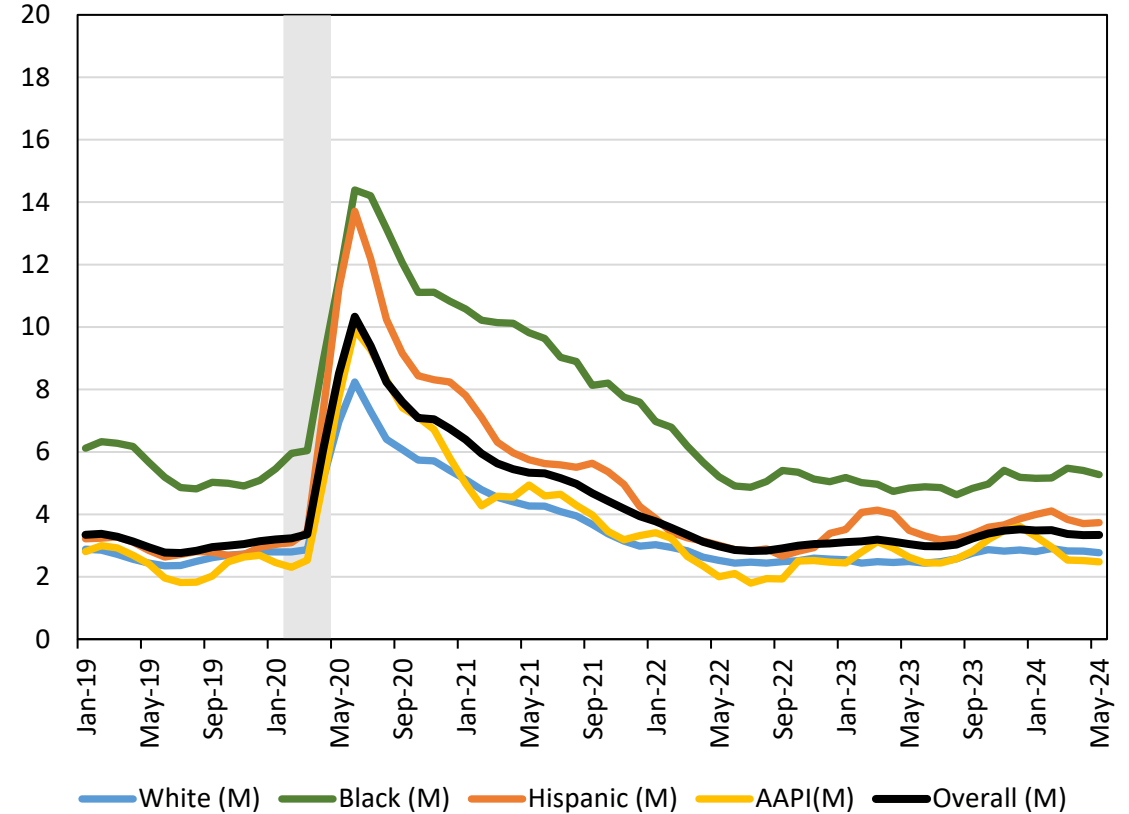
Gender employment gap defined as unemployment of women relative to men.

Unemployment Rate by Race x Gender

Unemployment rate (percent), women



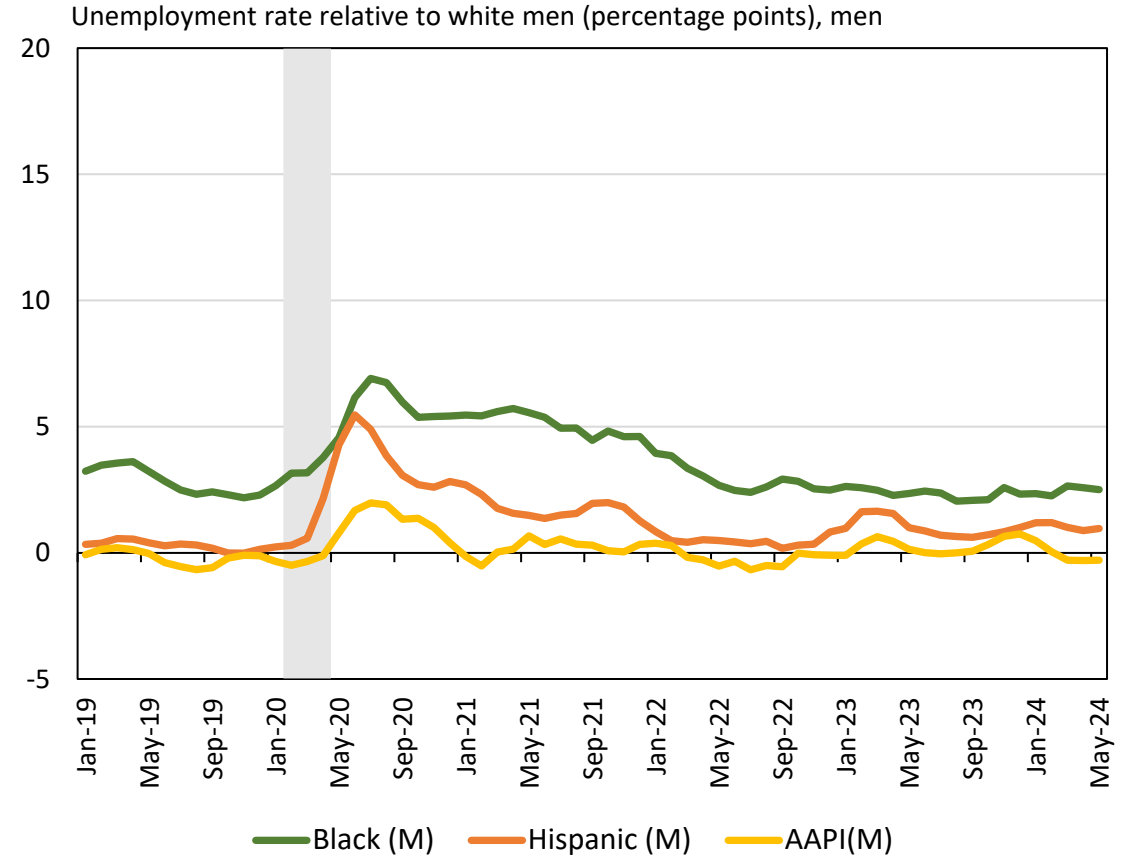
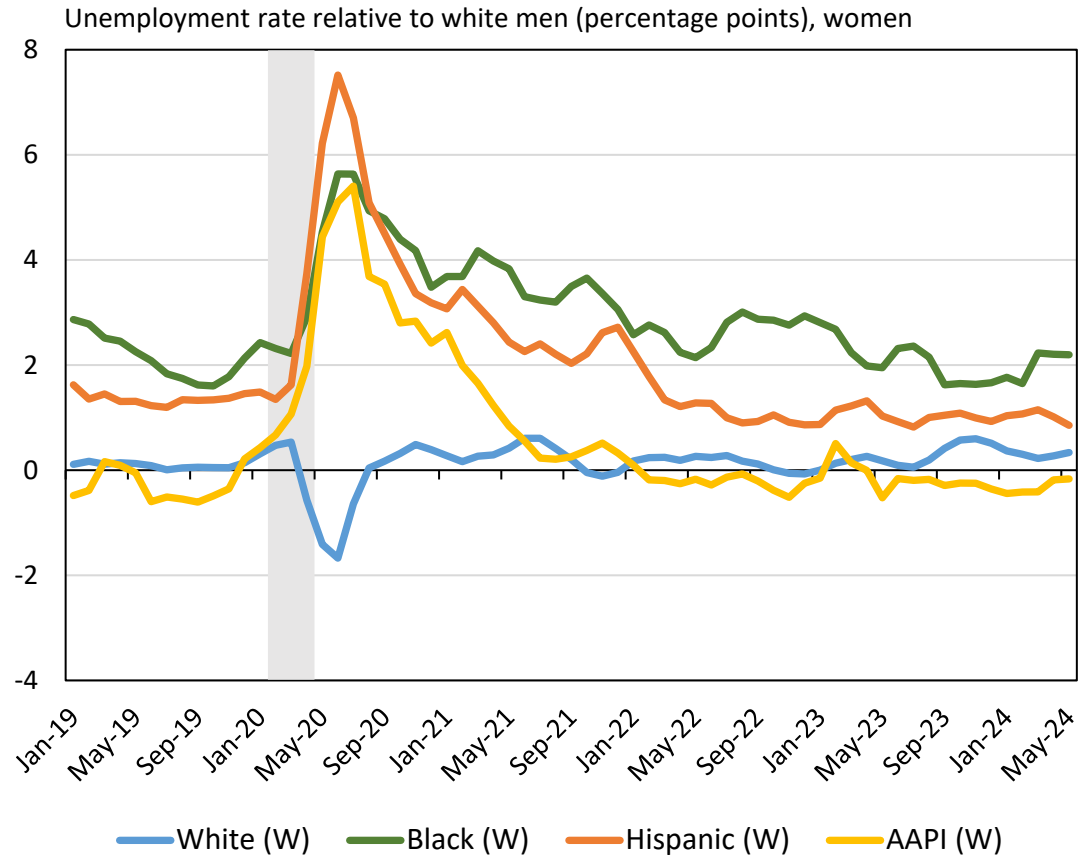
Unemployment rate (percent), men



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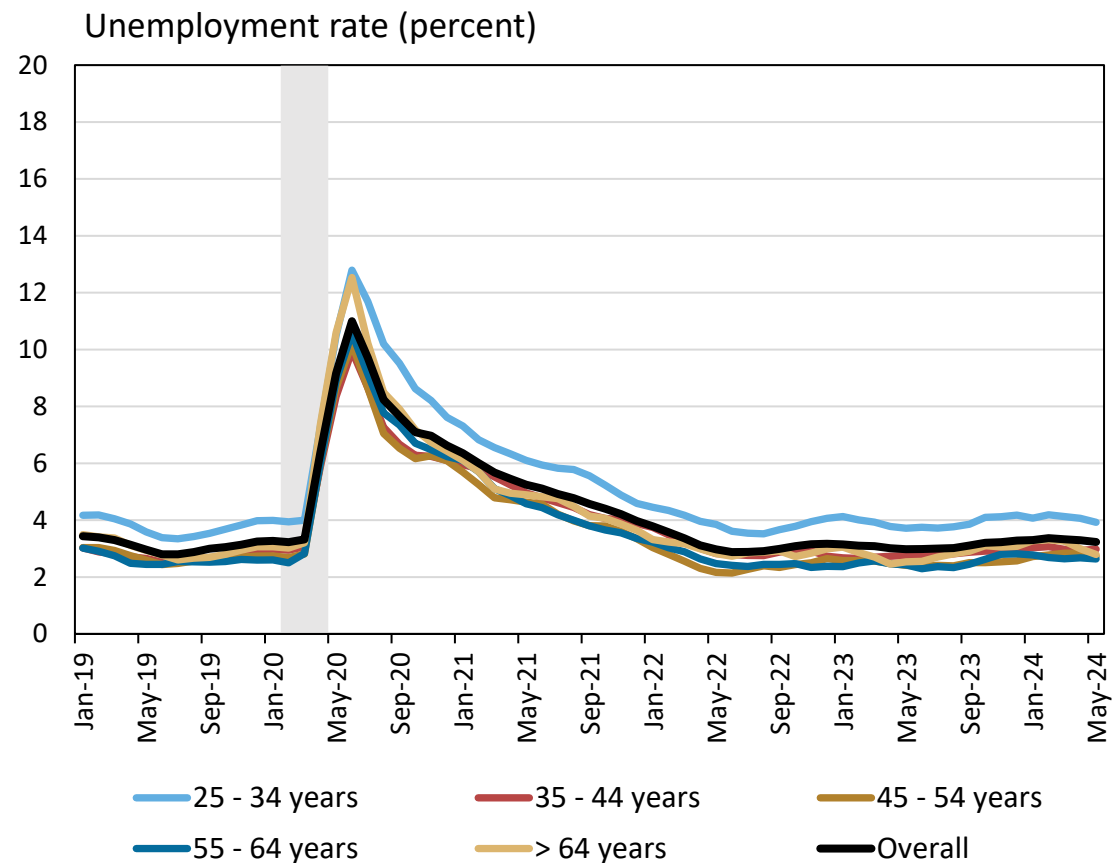
Unemployment Rate Gaps by Race x Gender



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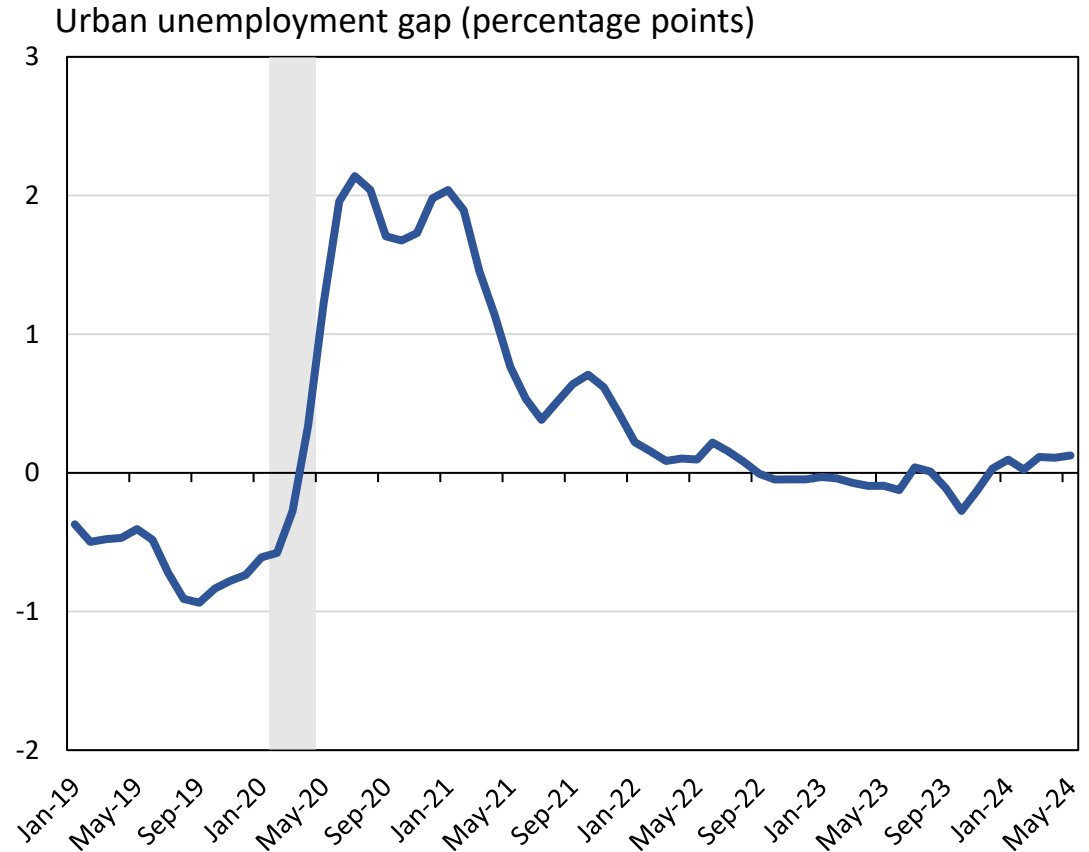
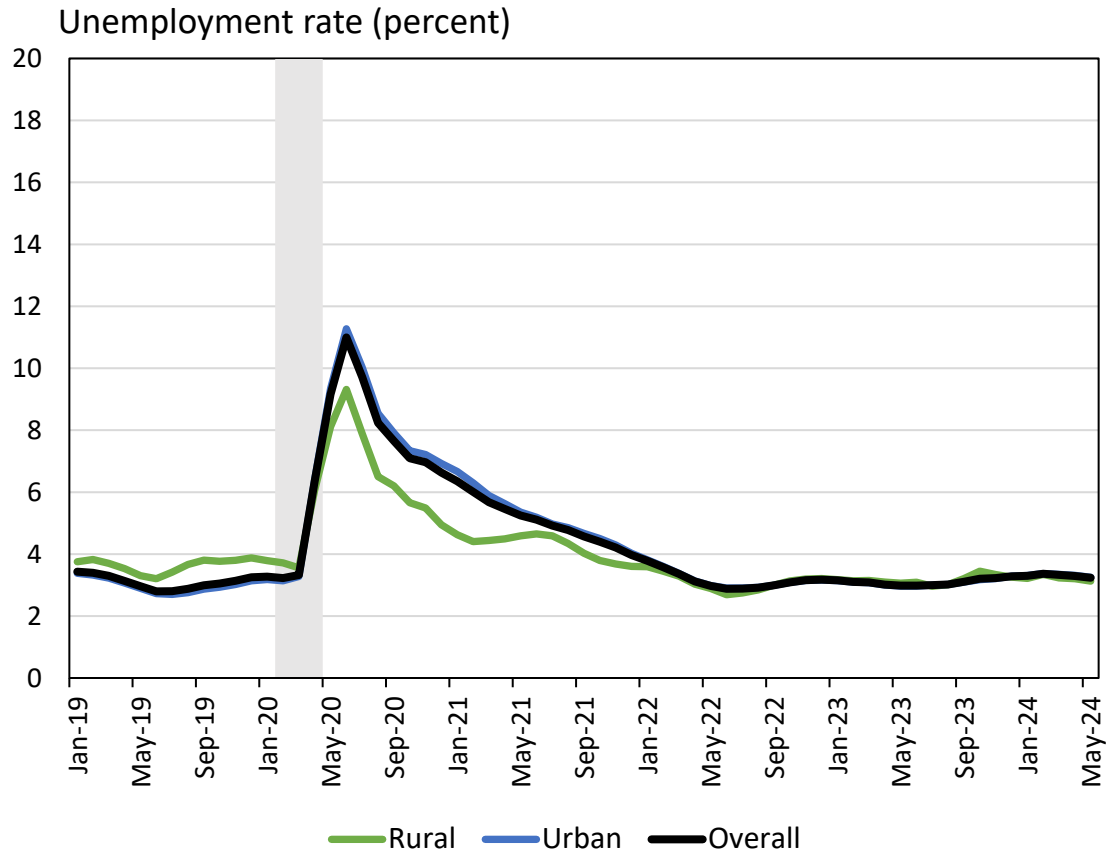
Unemployment Rate by Age



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Unemployment Rate by Urban Status

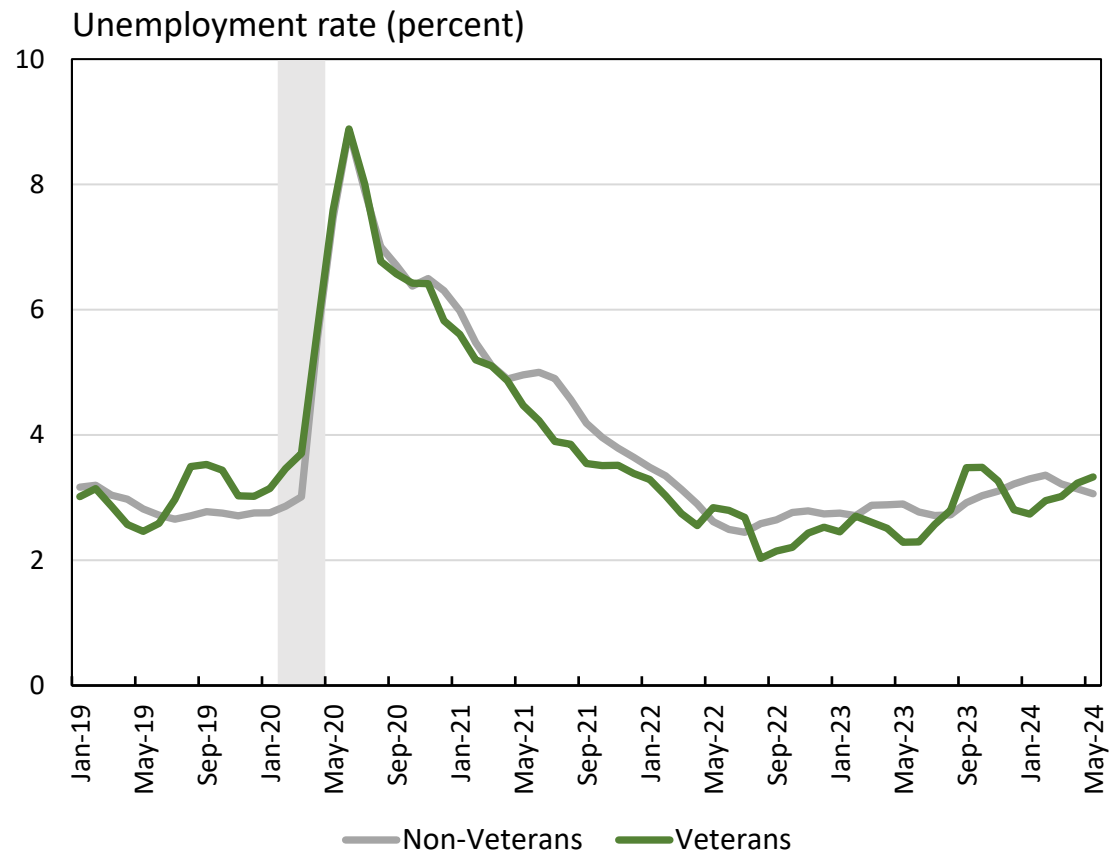


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Urban unemployment gap defined as unemployment of urban workers relative to rural workers.

Unemployment Rate by Veteran Status



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

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 image is overlaid with a dark blue tint.

EMPLOYMENT: LABOR FORCE PARTICIPATION

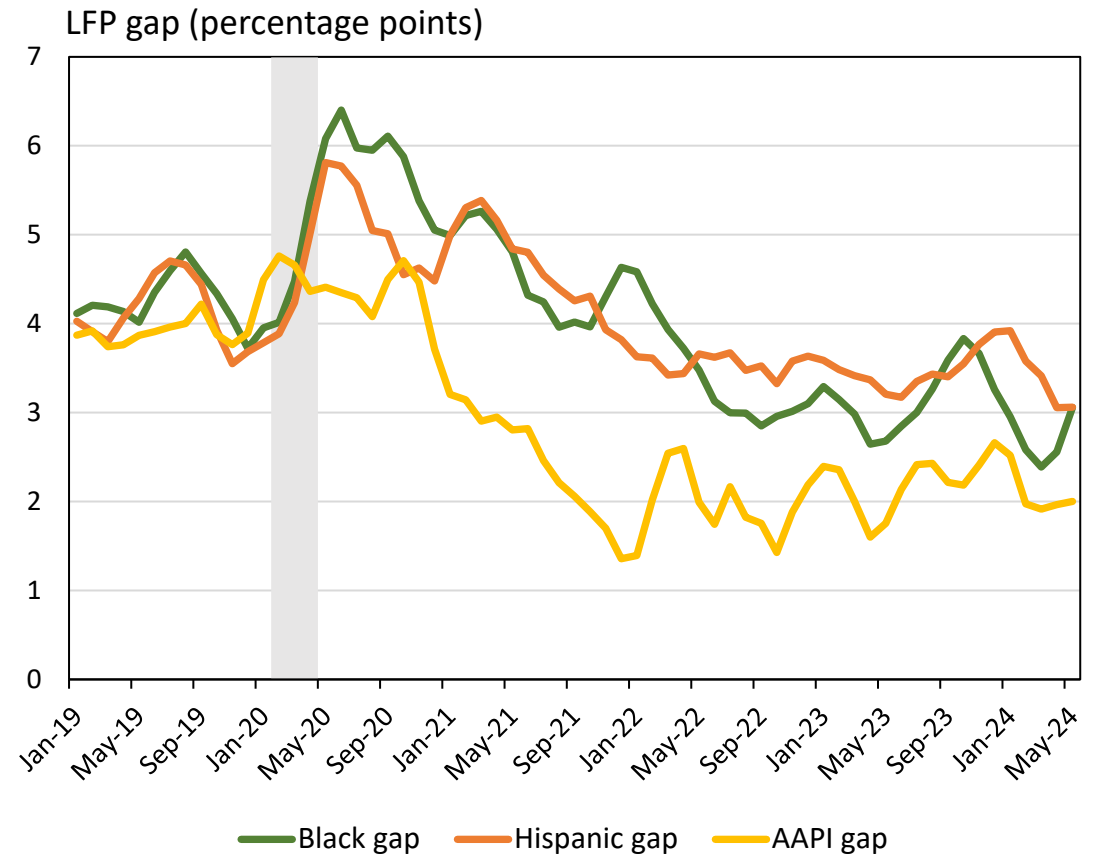
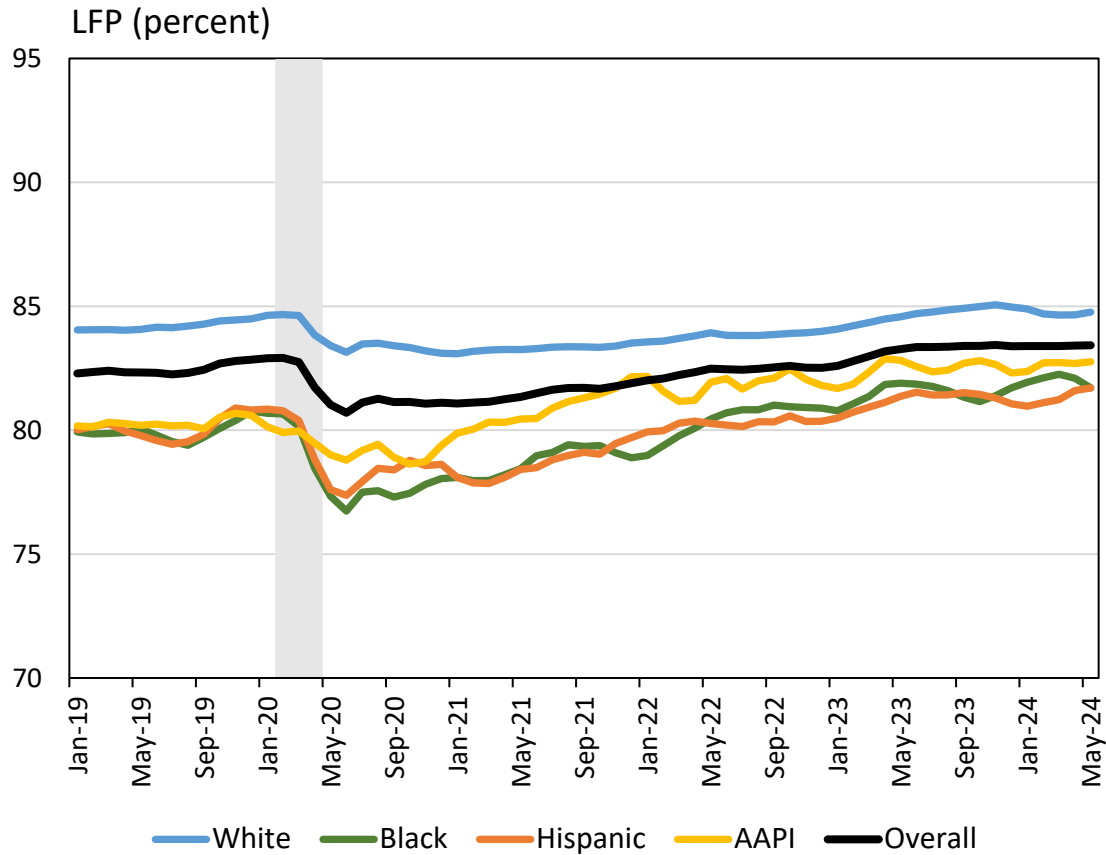
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Takeaways | Labor Force Participation

- Overall LFP remains flat at slightly above its pre-pandemic level (83.43% in May 2024).
- The LFP gap for Black workers has bounced up to 3.06 percentage points in May 2024, below its pre-pandemic and pandemic-period levels. The LFP gap for Hispanic workers has fallen to nearly the same level as the Black LFP gap.
- Similar to employment trends, the LFP rate for Black women has risen substantially since the pandemic and is very close the LFP rate for white women.
- The college LFP gap has remained essentially flat since 2024:Q1, while the rural-urban LFP gap has fallen. The gender LFP gap continues its gradual decline since the pre-pandemic period, in parallel with the gender employment gap.
- The LFP rate of veterans has fallen since 2024:Q1.

Labor Force Participation by Race/Ethnicity

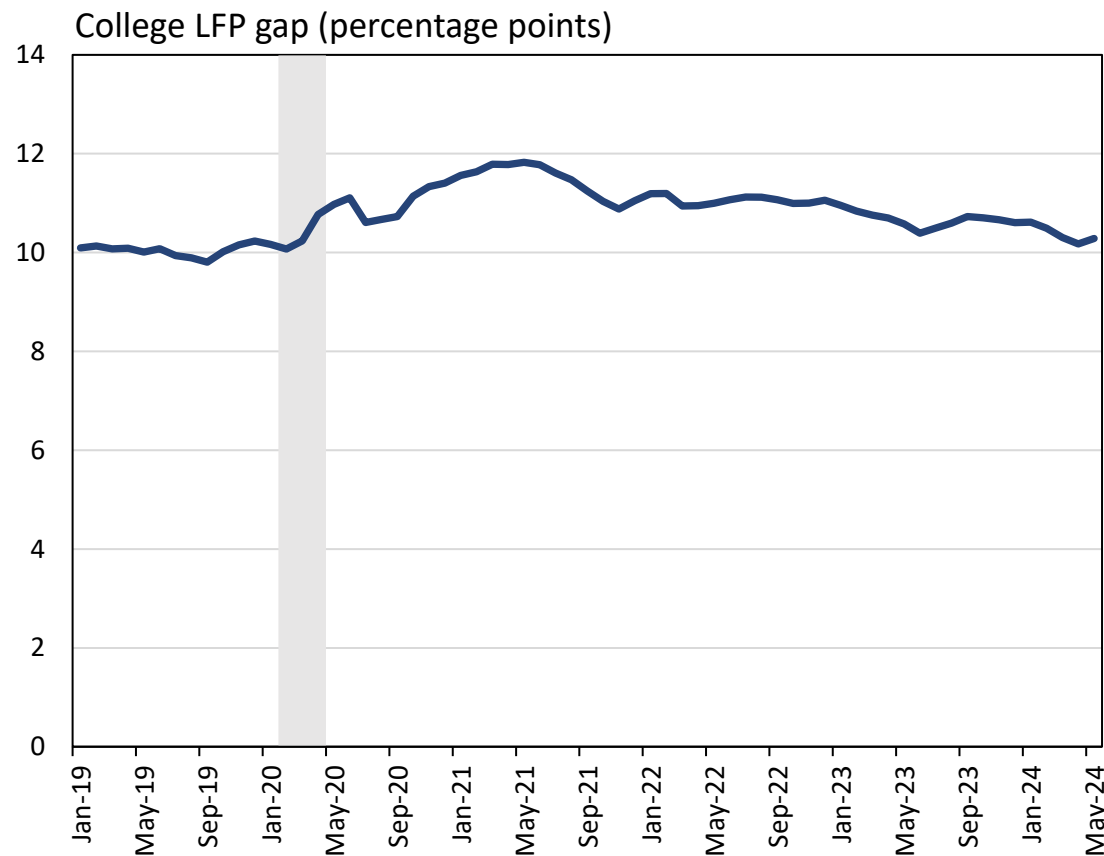
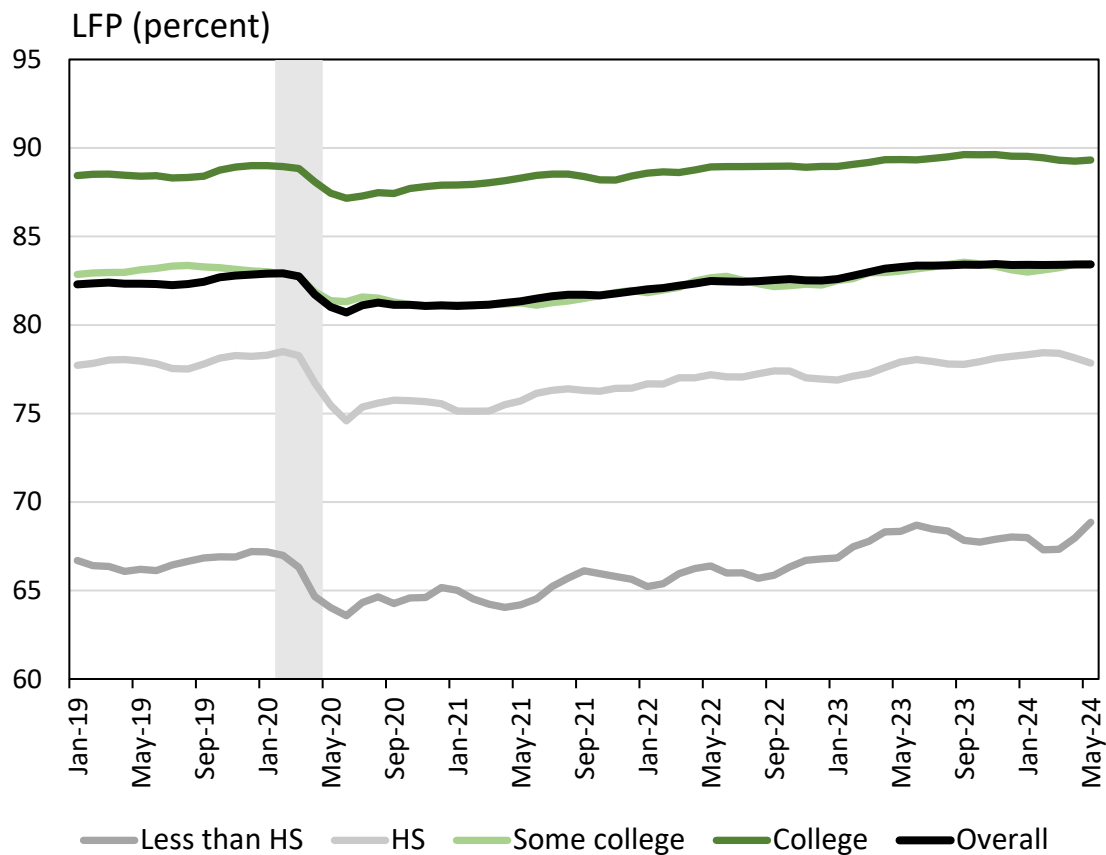


Sources: U.S. Census Bureau/BLS - Current Population Survey microdata; authors' calculations, three-month moving averages.

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LFP gap defined relative to white LFP.

Labor Force Participation by Education

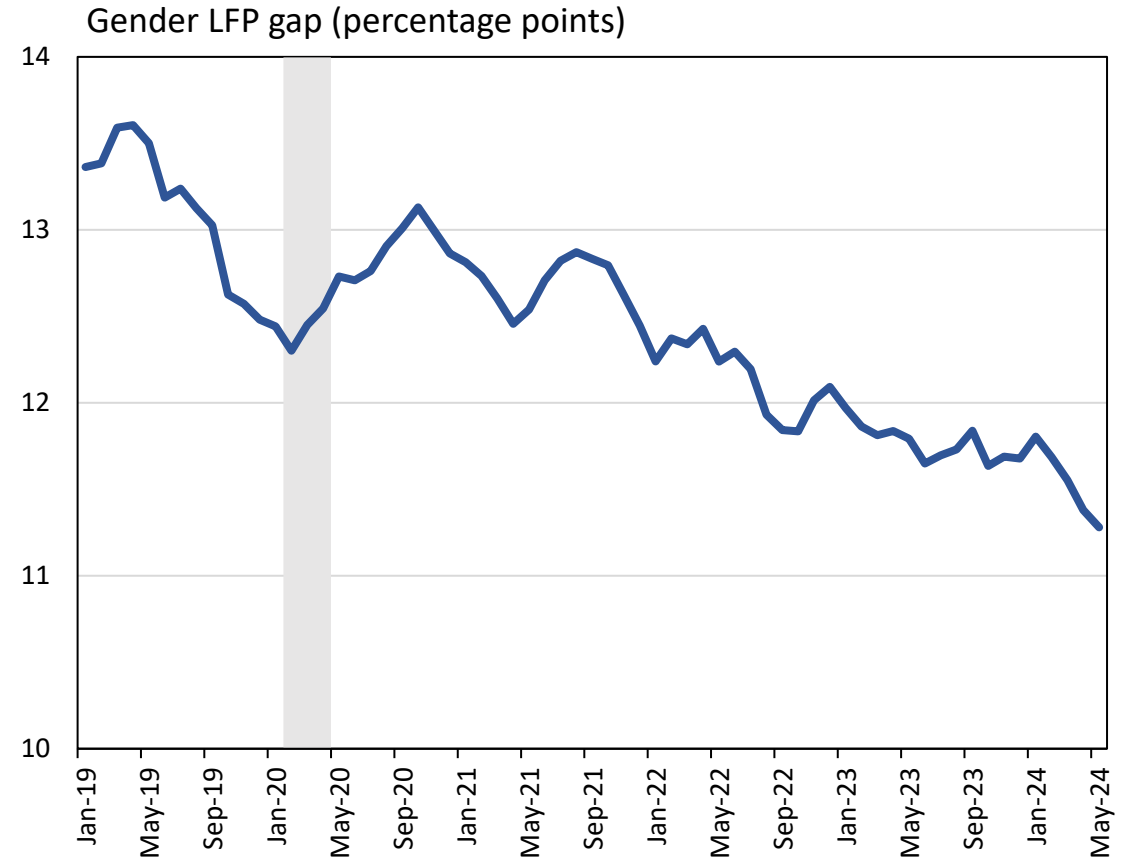
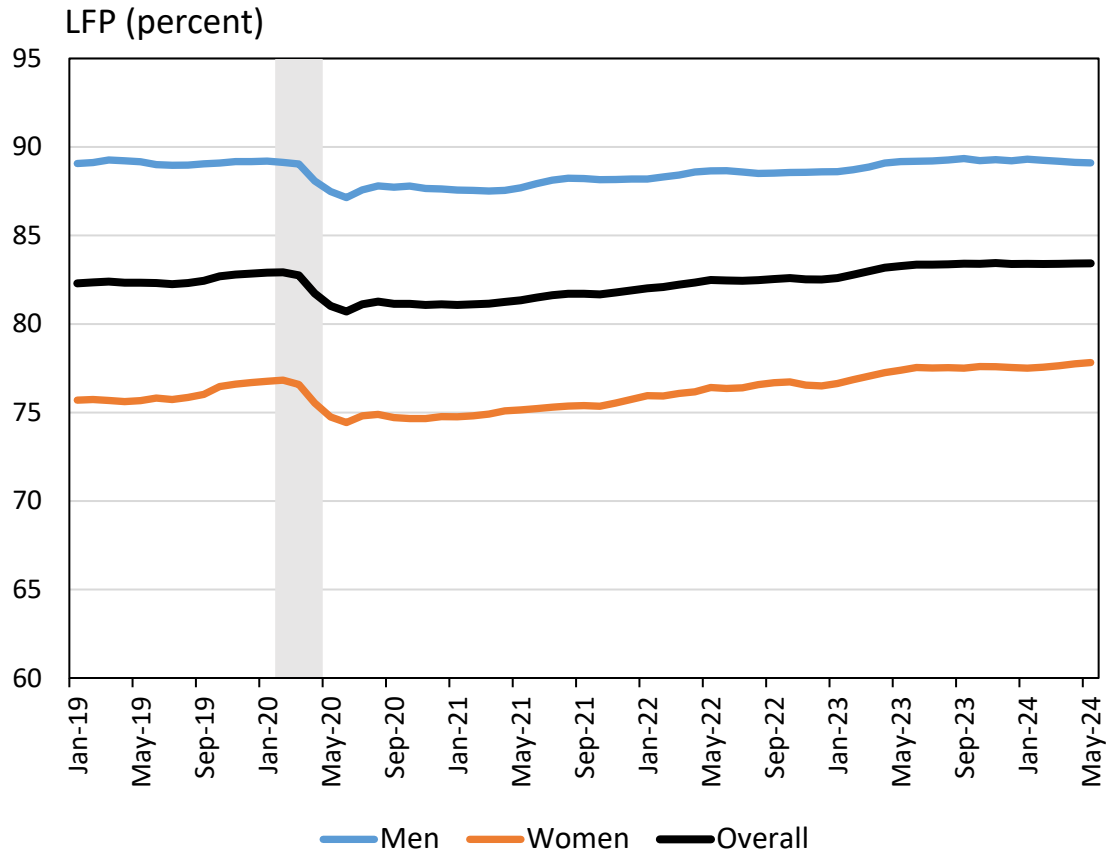


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College LFP gap defined as LFP of college graduates relative to non-graduates.

Labor Force Participation by Gender

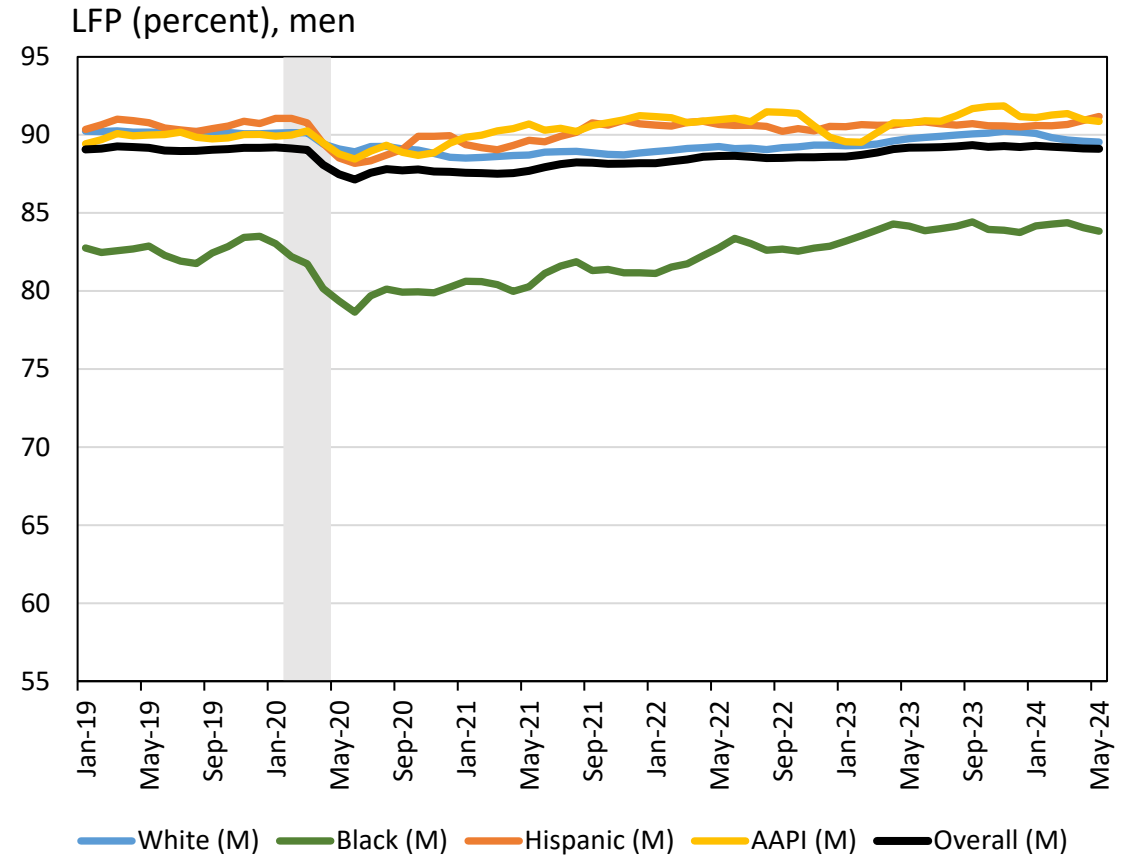
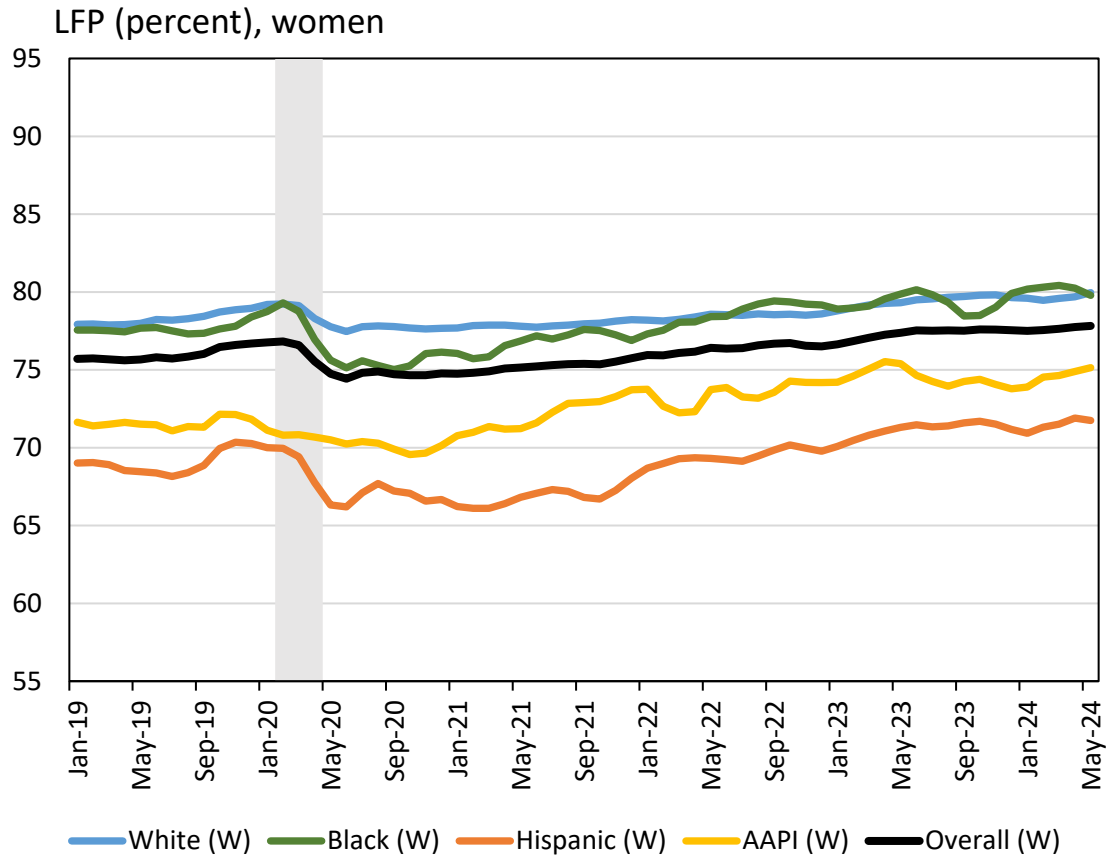


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Gender LFP gap defined as LFP of men relative to women.

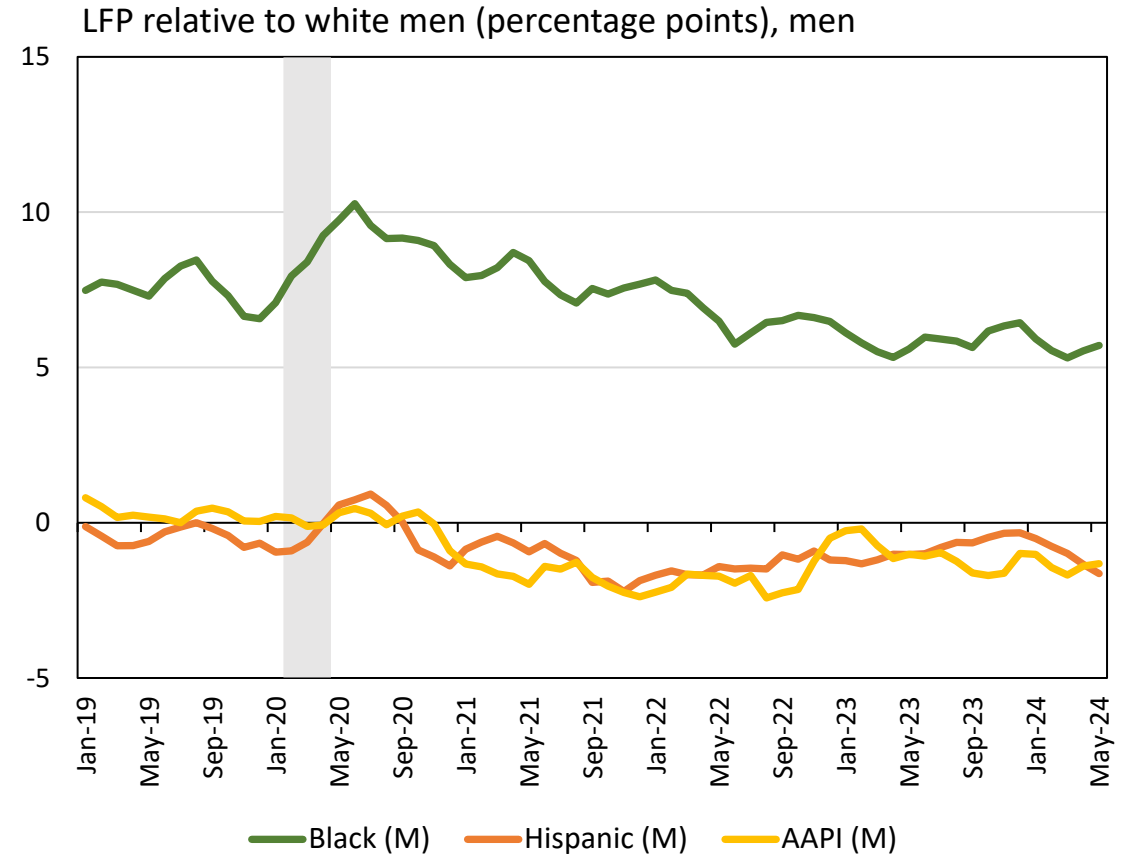
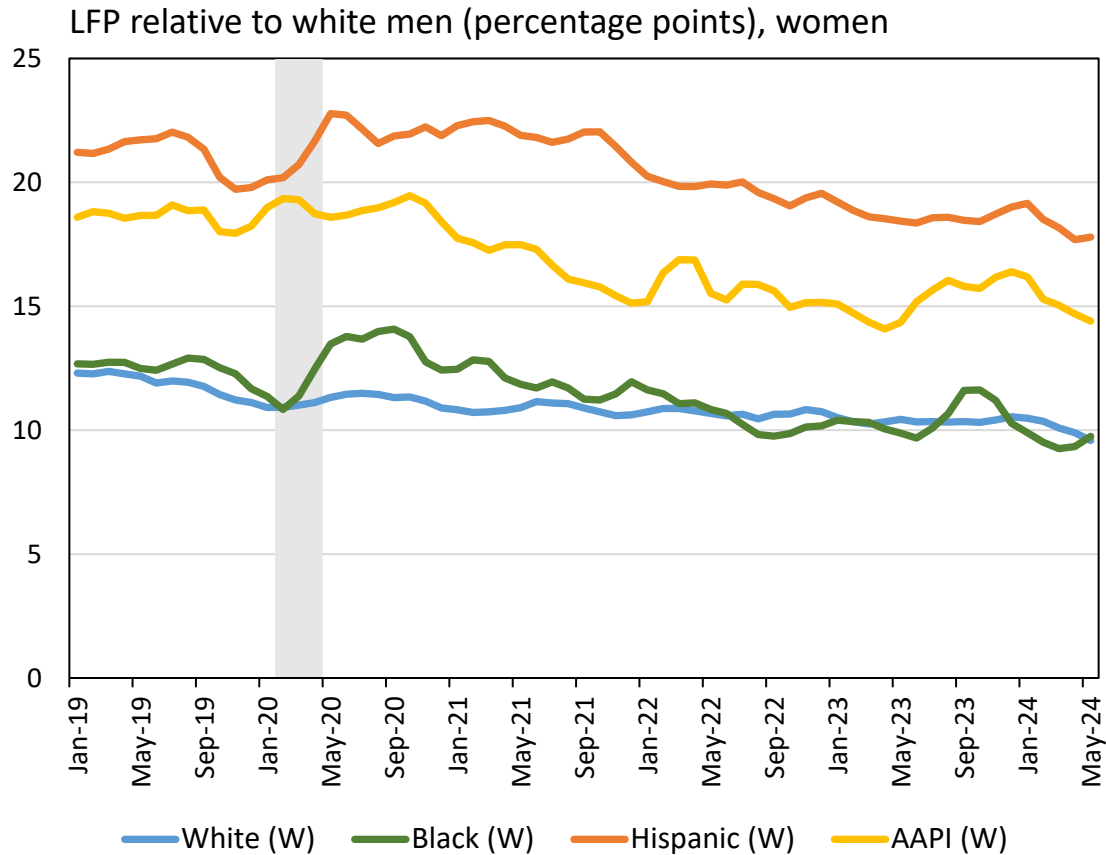
Labor Force Participation by Race x Gender



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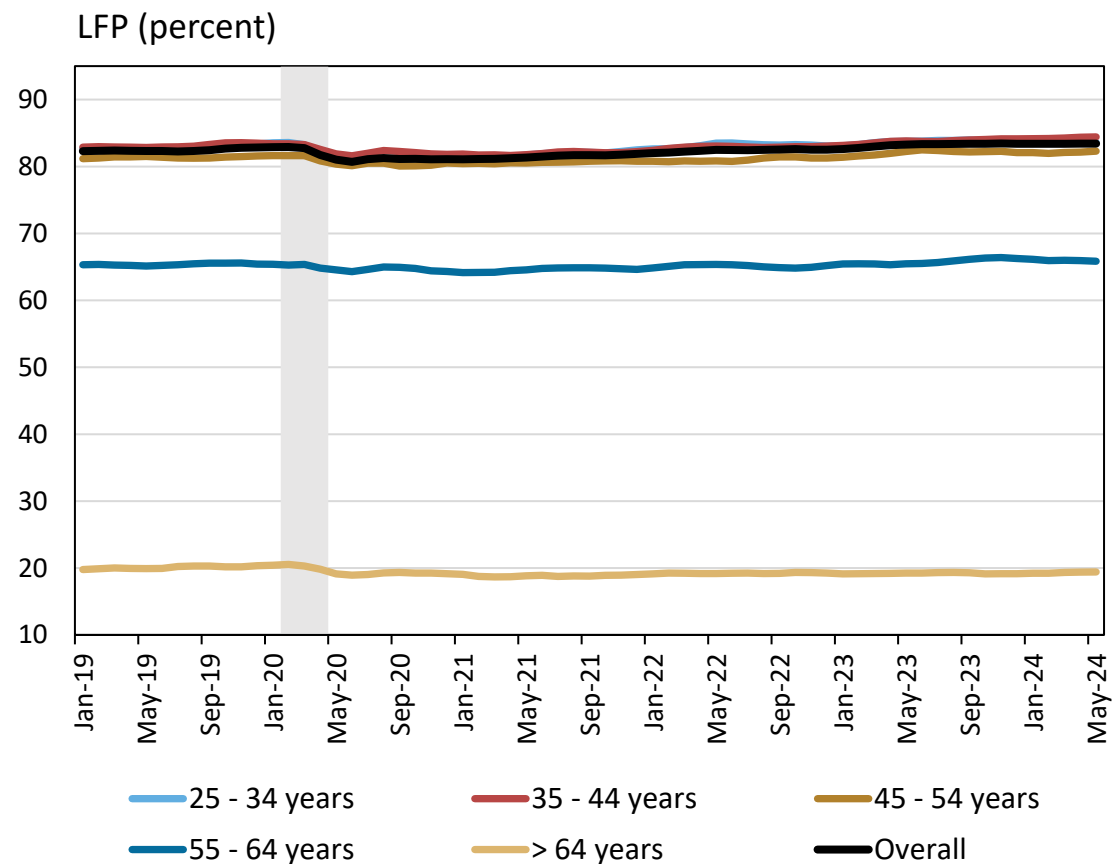
Labor Force Participation Gaps by Race x Gender



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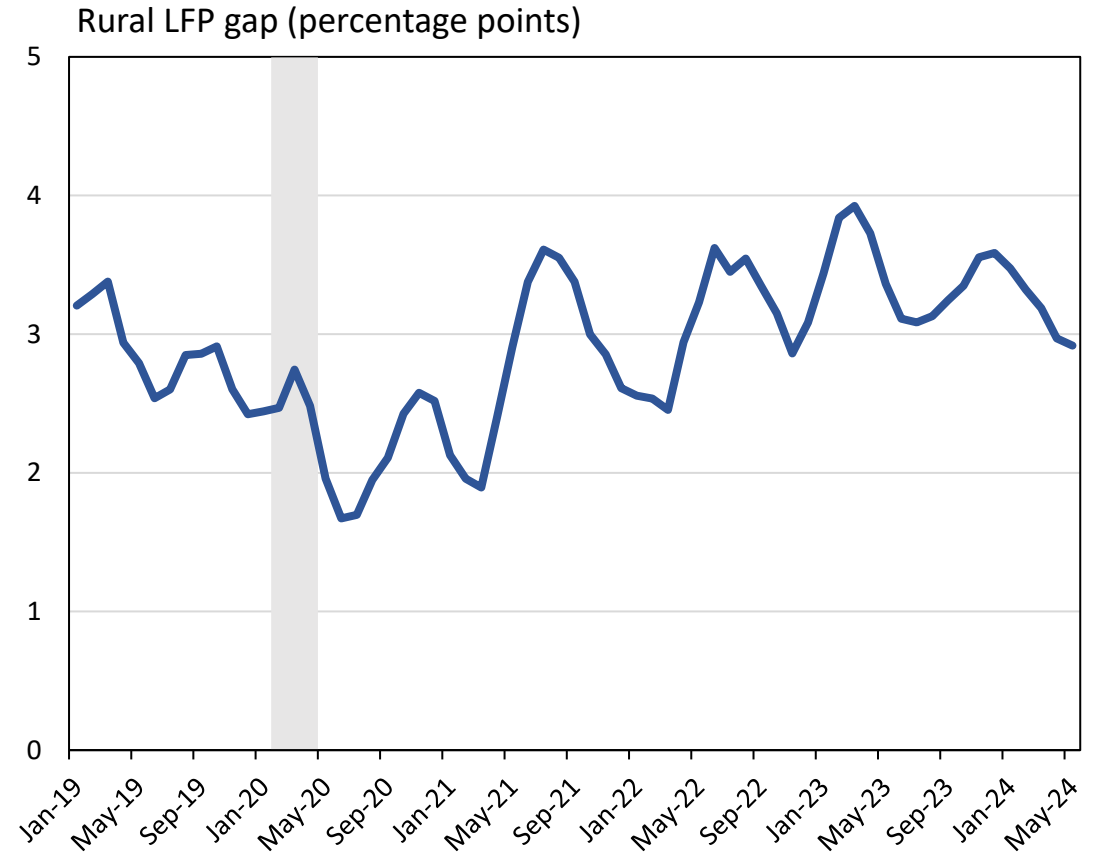
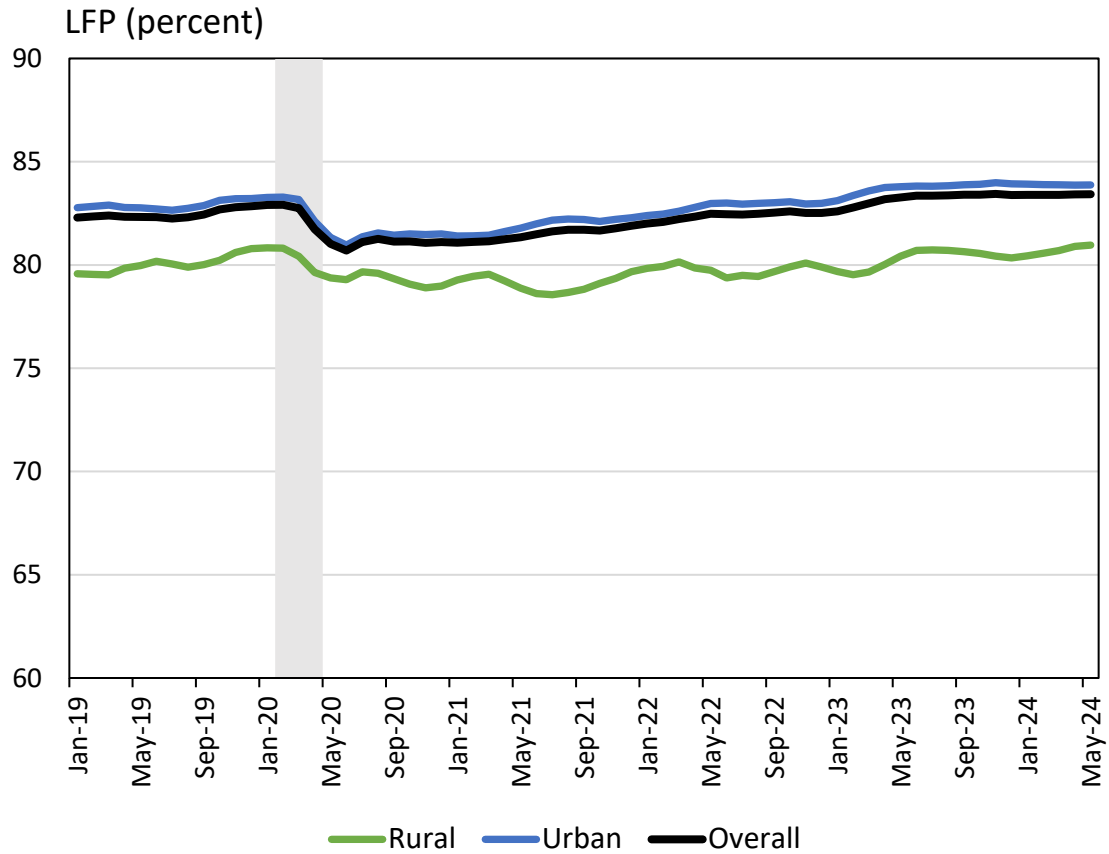
Labor Force Participation by Age



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Labor Force Participation by Urban Status

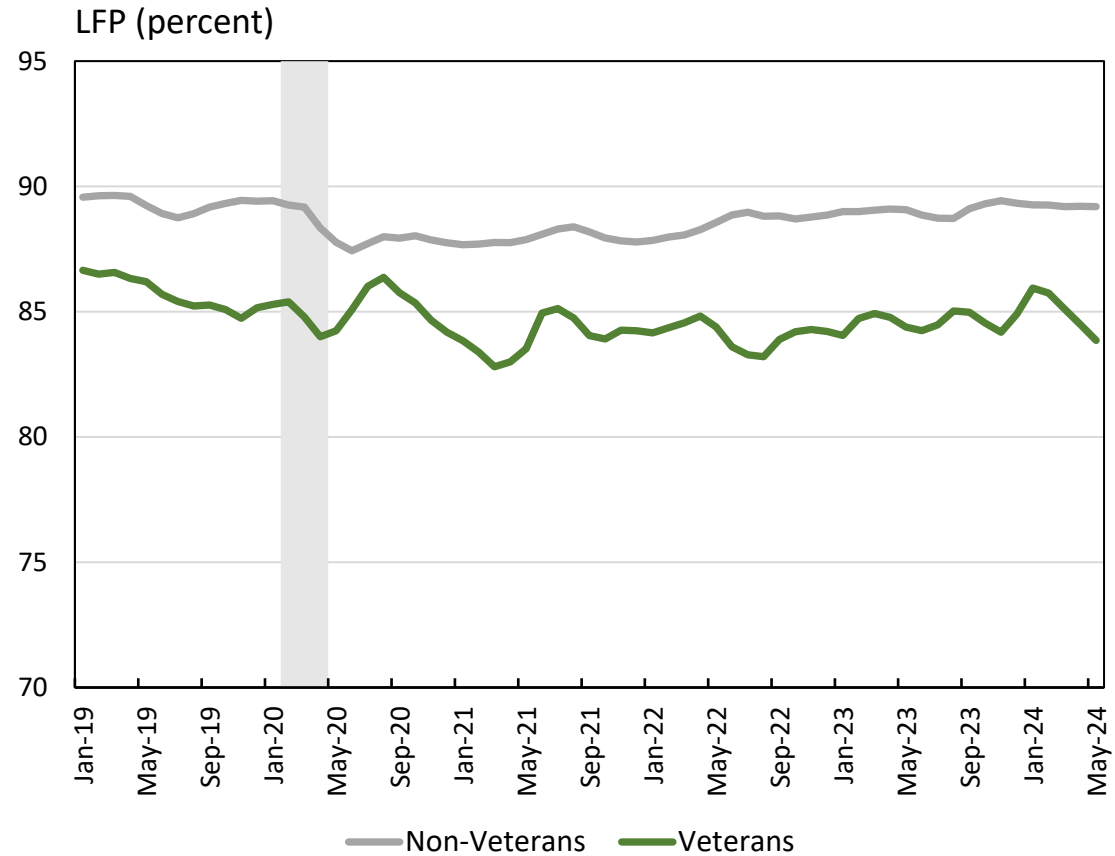


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Rural LFP gap defined as LFP of urban workers relative to rural workers.

Labor Force Participation by Veteran Status



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

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