



U.S. DEPARTMENT OF LABOR

ETA VISION 2030

REGIONAL CONVENING

NOVEMBER 14-15, 2023

Using Strategy to Pave a Way for All Workers



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The Economy: Then, Now, and the Future



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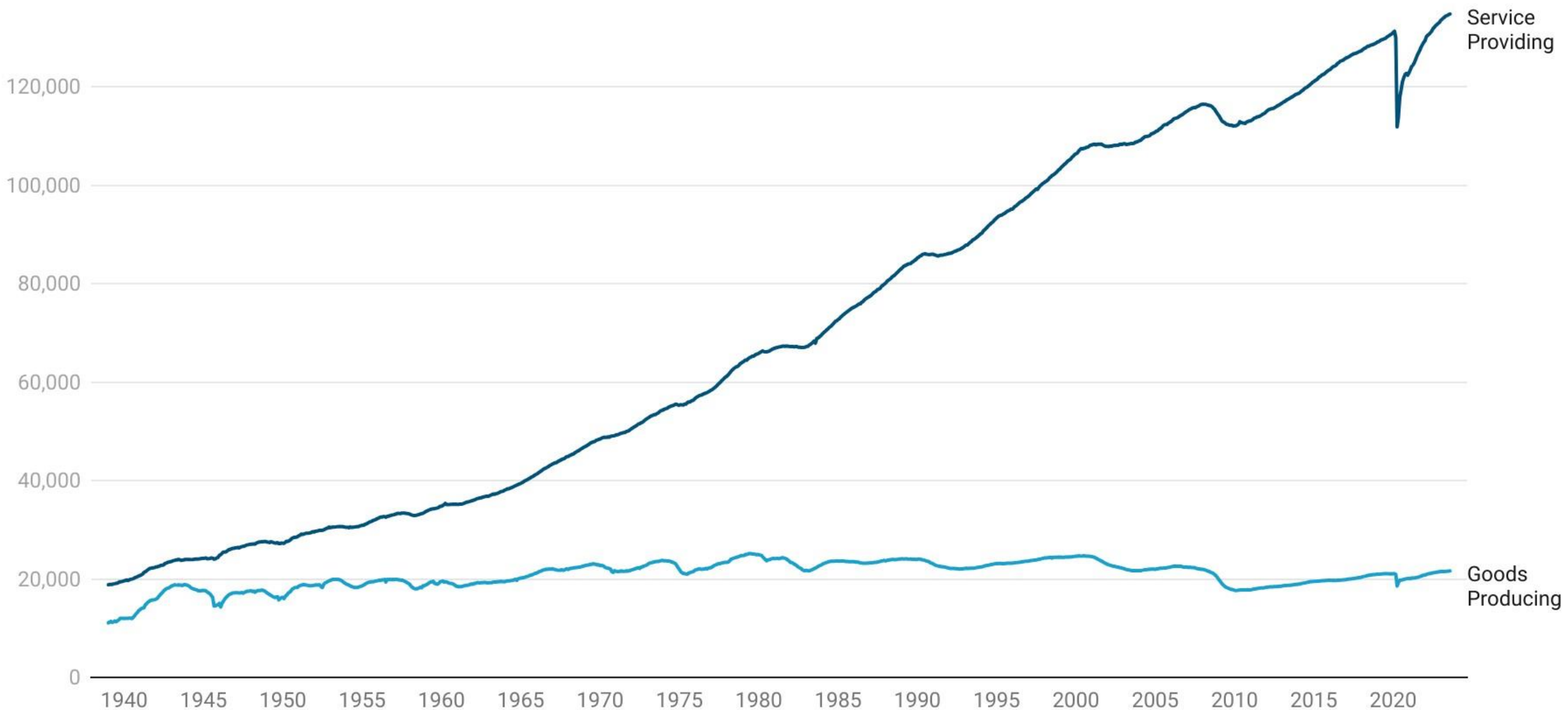
November 14, 2023

An economic tour with three destinations

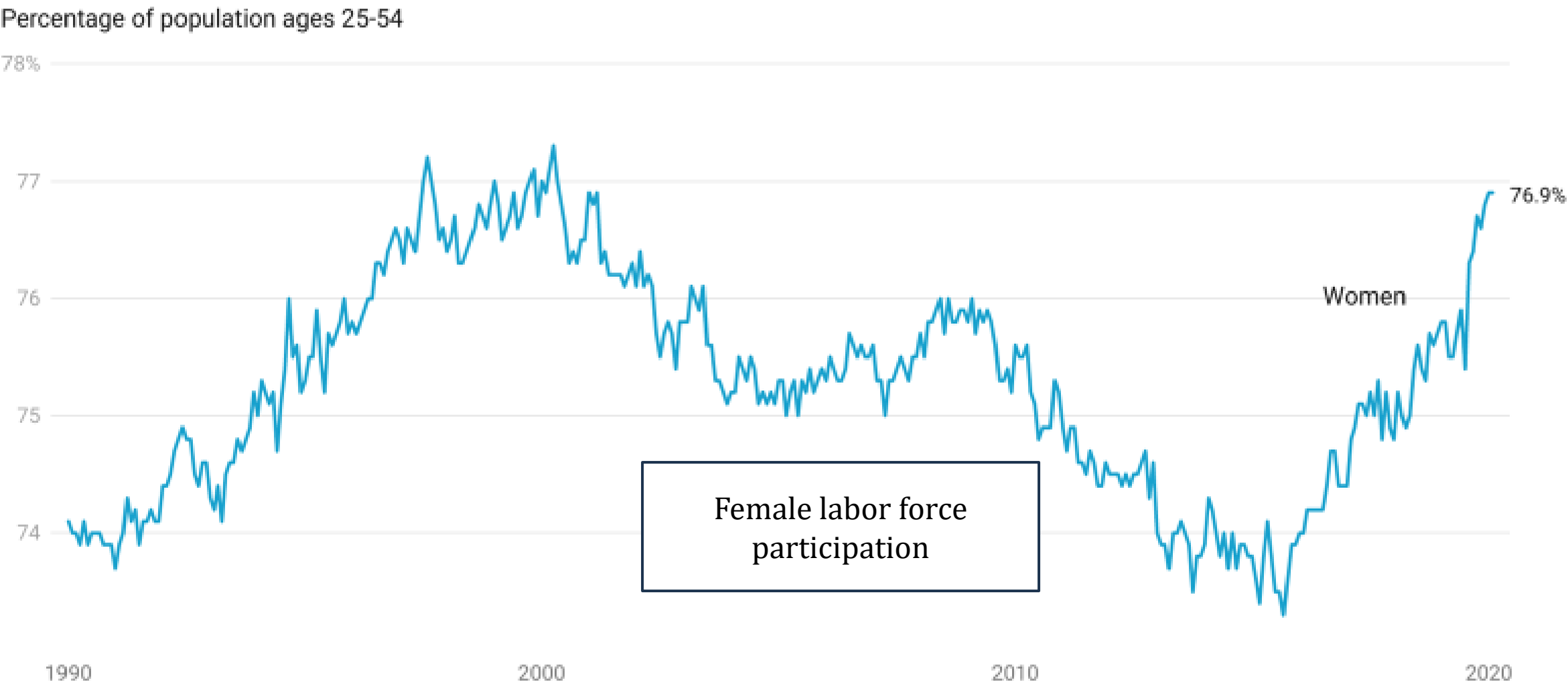
- Why our economy and this past recession and recovery was different
- What's going on with **the economy right now**
- A **longer run** perspective

Service Sector Expansion is the Source of Modern Job Growth

Thousands of jobs



Women's Participation: 1990s Growth, 2000s Declines, 2015 Onward Growth

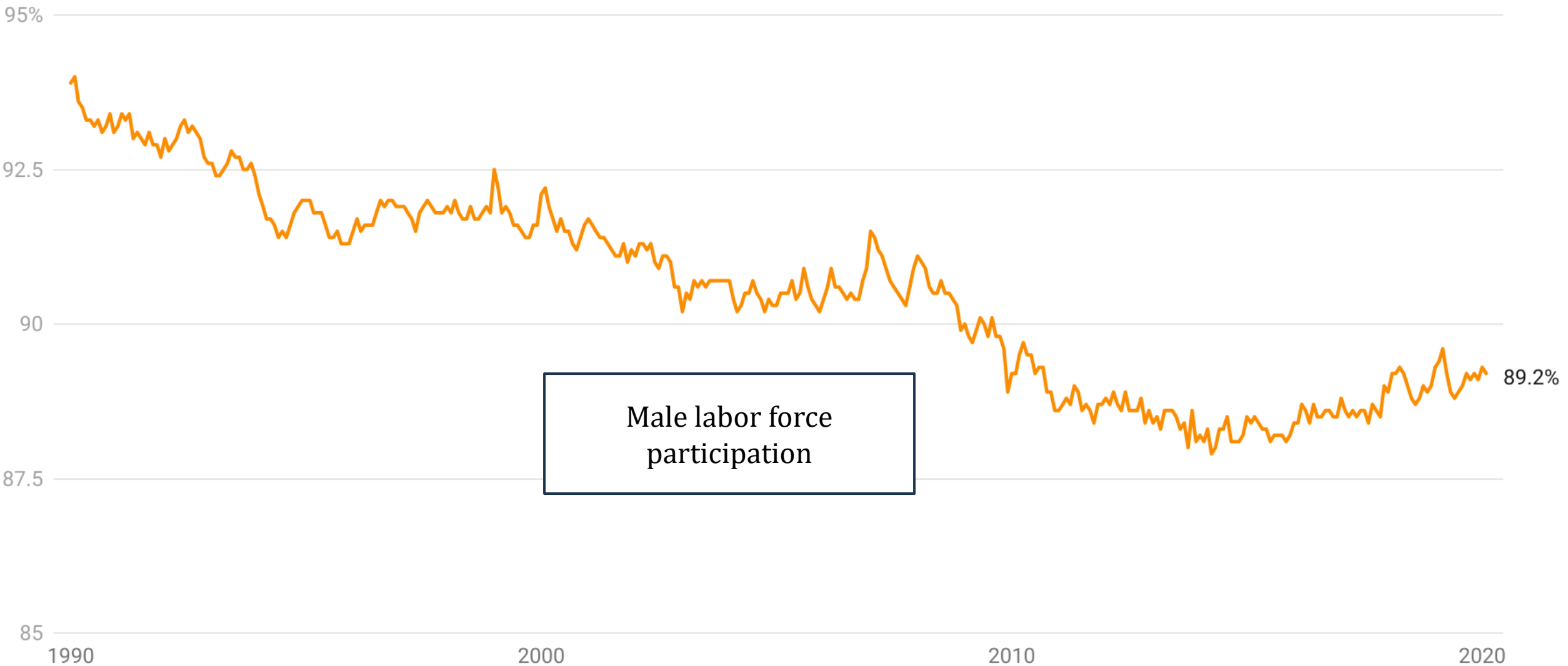


Seasonally Adjusted Data
Source: Bureau of Labor Statistics - Created with Datawrapper



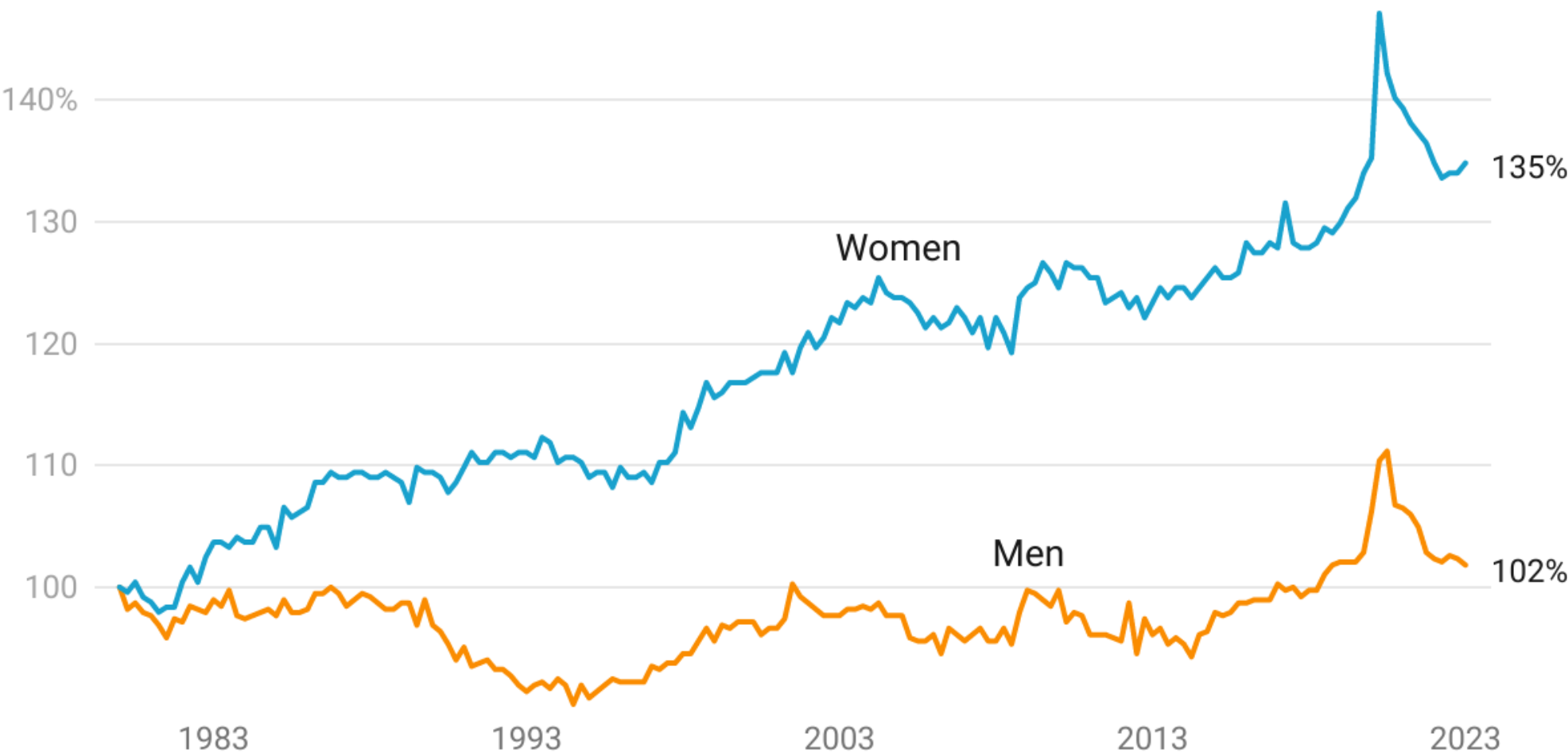
Men's Participation: Declines through 2015, Mild Recovery post 2015

Percentage of population ages 25-54



Median Weekly Earnings For Full-Time Workers

By Gender, Indexed 100%=January 1980



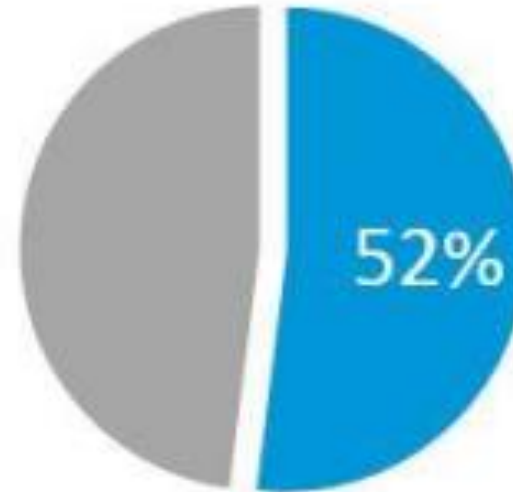
Seasonally and inflation adjusted data
Source: Bureau of Labor Statistics • Created with Datawrapper



What People Said They Wanted Prior to the Pandemic



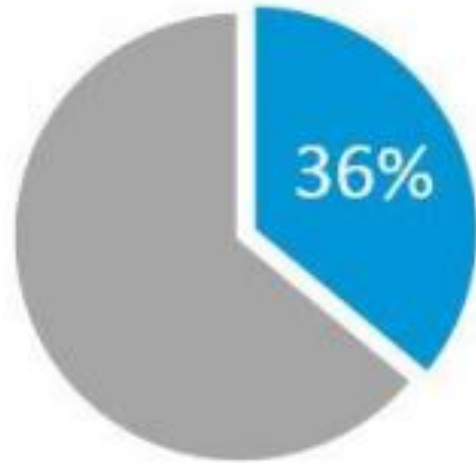
Nine in ten Americans believe employers should offer workers flexibility to meet their families' needs, so long as their work gets done.



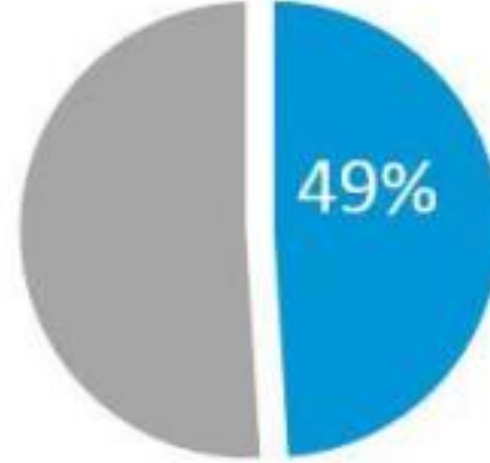
Over half of workers feel they could do their job better if they were allowed a more flexible schedule.

Source: Nielsen (2014). Harris poll of 4,096 U.S. adults (aged 18+), conducted online May 27-30, 2014.

What They Gave Up



More than a third of parents believe they've been "passed over" for a promotion, a raise, or a new job due to a need for a flexible work schedule.



Nearly half of parents say they have chosen to pass up a job they felt would conflict with family obligations.

Source: Nielsen (2014). Harris Poll of 4,096 U.S. adults (aged 18+), conducted online May-27-30, 2014.

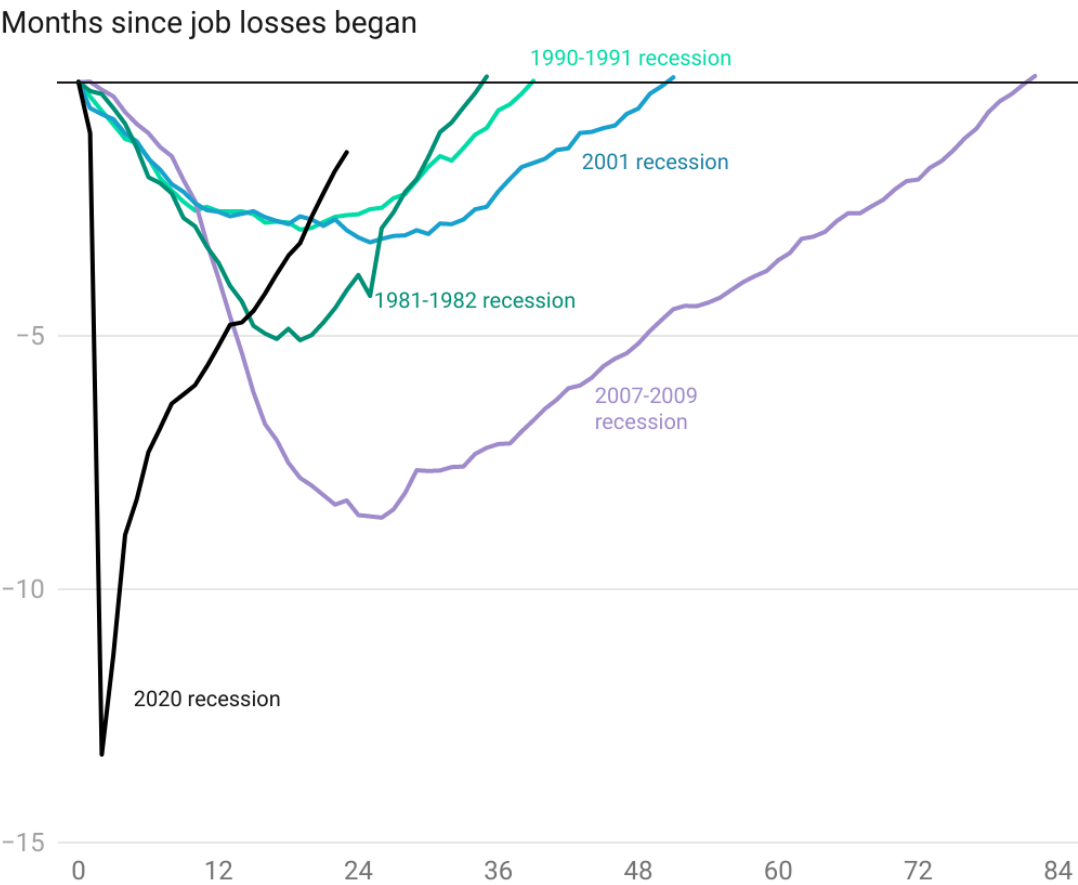


The Pandemic: The Big Disruption



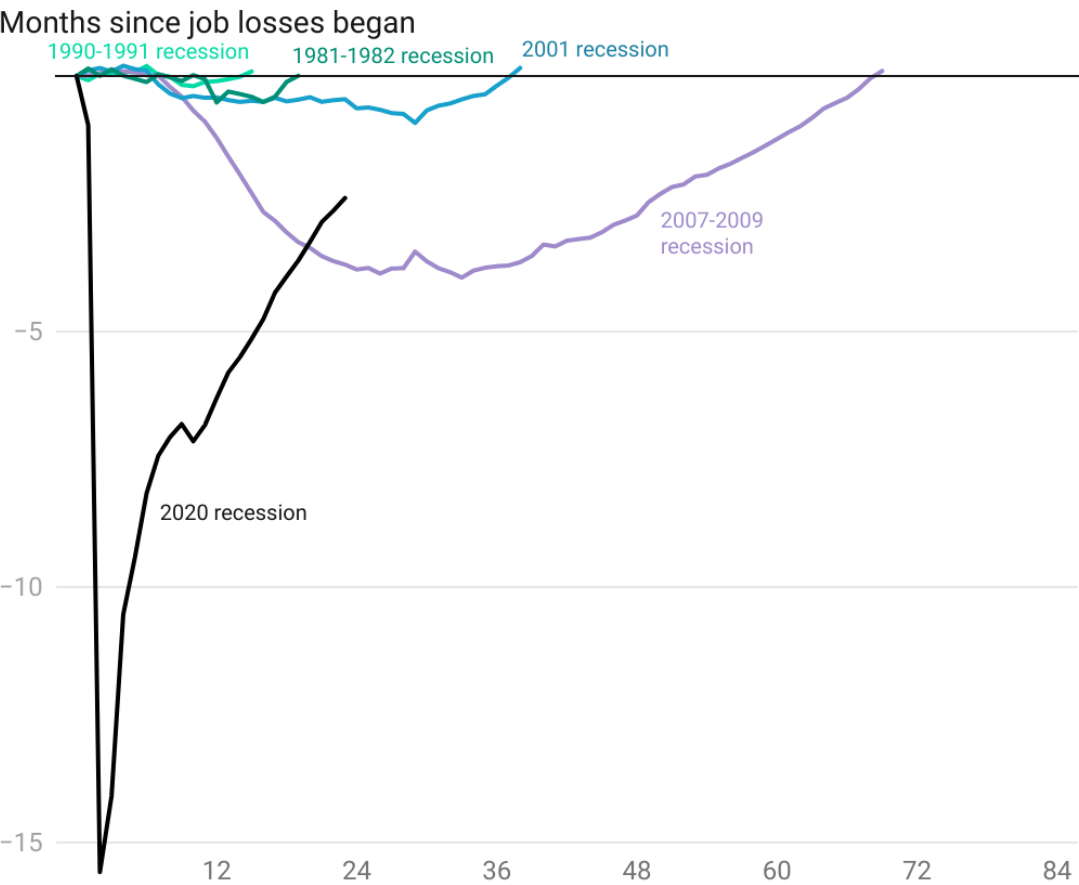
Recessions Typically Have Little Impact on Jobs Held by Women

Employment of Men Relative to Pre-recession Peak



Source: Source: U.S. Bureau of Labor Statistics • Created with Datawrapper

Employment of Women Relative to Pre-recession Peak



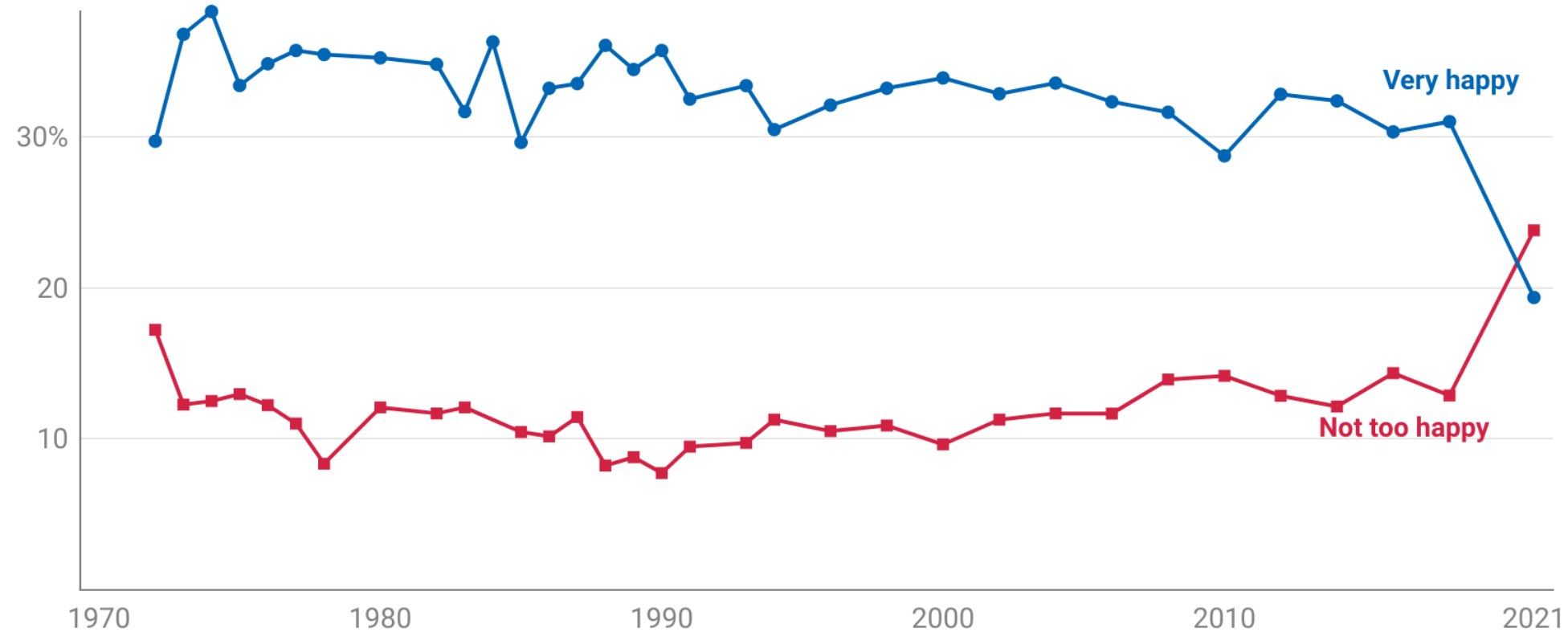
Source: U.S. Bureau of Labor Statistics • Created with Datawrapper



A Time of Unhappiness

"Taken all together, how would you say things are these days--would you say that you are **very happy**, pretty happy, or **not too happy**?"

Share of the adult population



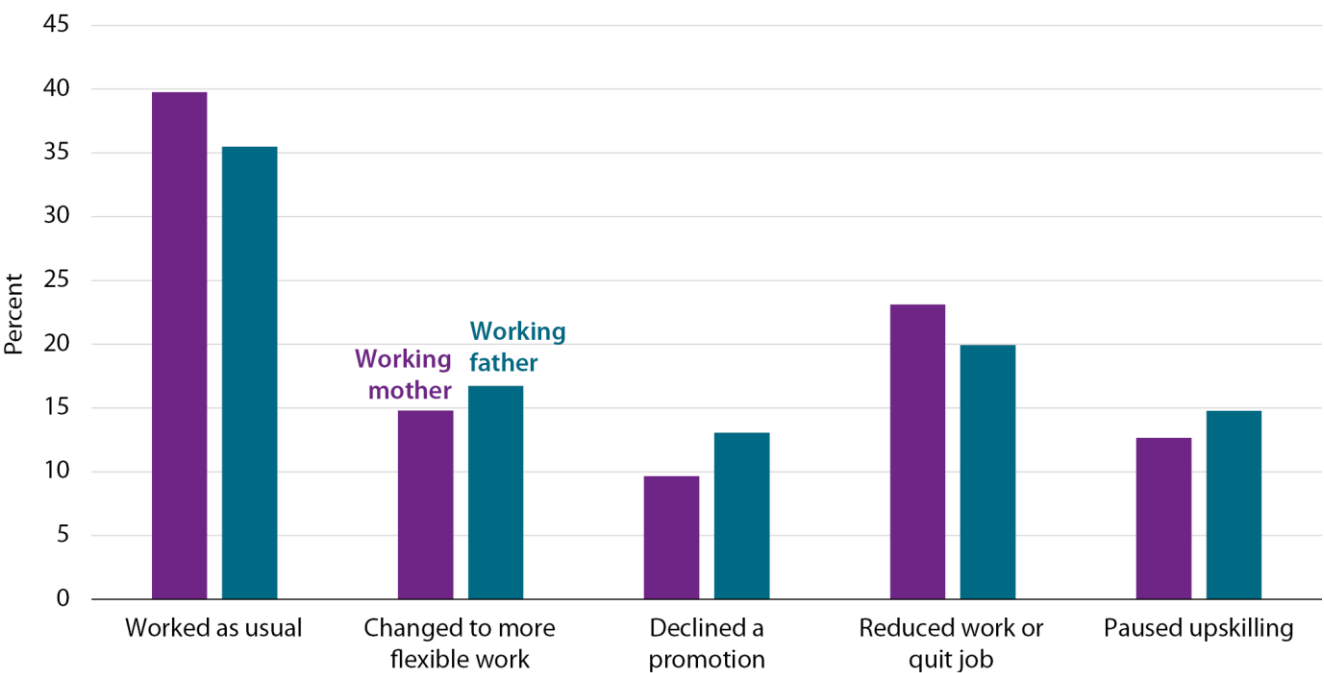
Share who are "pretty happy" is the omitted category

Chart: Betsey Stevenson and Justin Wolfers • Source: General Social Survey, 1972-2021



Parents Struggled: Both Moms and Dads

FIGURE 3.
Working Parents' Experiences During the Pandemic



Source: Survey conducted between May 27 and July 7, 2021 using RIWI's Random Domain Intercept Technology, a patented, machine-learning technology that delivers anonymous opt-in surveys to Web users who are surfing online.

Note: 2,550 working parents completed the survey, out of a random sample of 14,410 adults who were initially surveyed. When users stumble upon one of the hundreds of thousands of domains that RIWI owns or controls, these random, non-incented users are filtered through a series of proprietary algorithms to ensure there are no non-human respondents, and invited to participate in a survey. RIWI geo-targets respondents automatically by county, region, state, and city. Survey participants are accessed on all Web-enabled devices, and the technology cannot be blocked by state surveillance or Internet control, nor is it susceptible to ad-block technologies. Although RIWI collects and reports the age, gender and geo-location of all respondents, no personally identifiable information is ever collected or reported. No enticements are used, and participants can easily exit the survey at any time. Weights are applied to age and gender as per the most recent national census data available, drawn from the U.S. Census Bureau. Respondent weight values are generated post-stratification using a raking algorithm. Weighted data estimates what the nationally-representative population perceives.



Women Lost More Jobs, Recovered Quickly

❑ What is “fully recovered”

✓ A return to early 2019 levels?

❑ A return to early 2020 levels?

❑ 0.4 percentage points above February 2020

❑ A return to prior trend?

❑ 1.0 percentage points below the previous trend

Prime Age Women's Labor Force Participation Rate vs Prior Trend

Share of women ages 25-54 who are working or looking for work



Seasonally adjusted data

Source: [Bureau of Labor Statistics](#) • [Get the data](#) • Created with [Datawrapper](#)

How Far are Men from Fully Recovering?

✓ A return to early 2019 levels?

❑ A return to early 2020 levels?

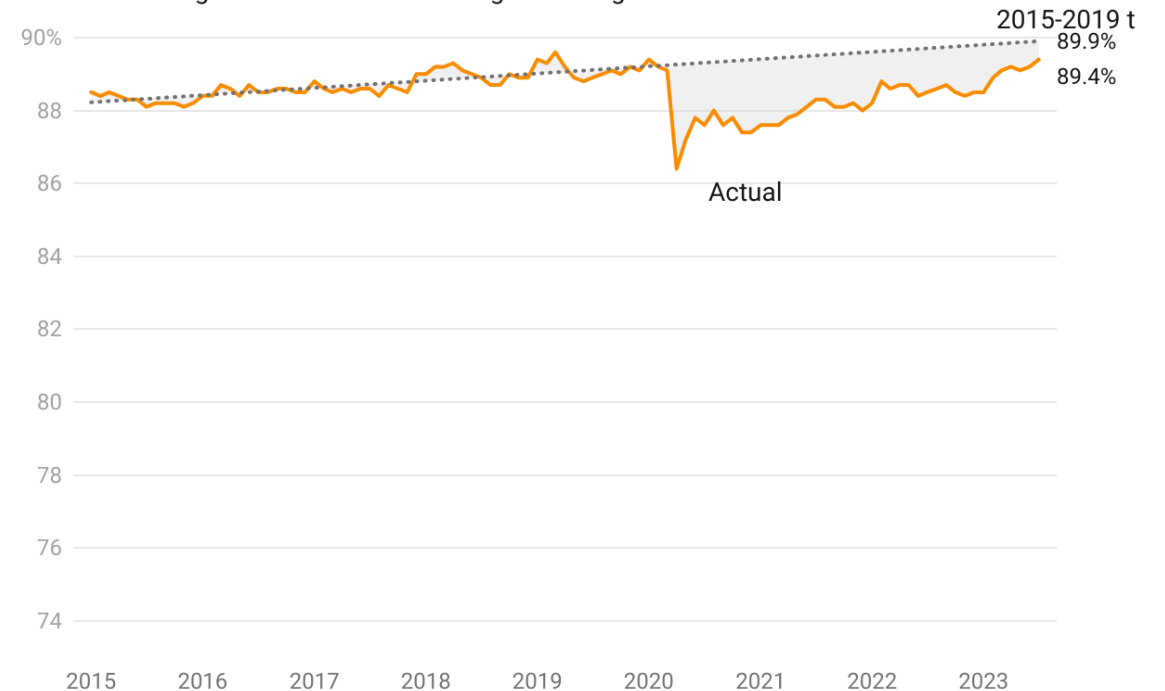
❑ 0.2 percentage points
below February 2020

❑ A return to prior trend?

❑ 0.5 percentage points
below the previous trend

Prime Age Men's Labor Force Participation Rate vs Prior Trend

Share of men ages 25-54 who are working or looking for work



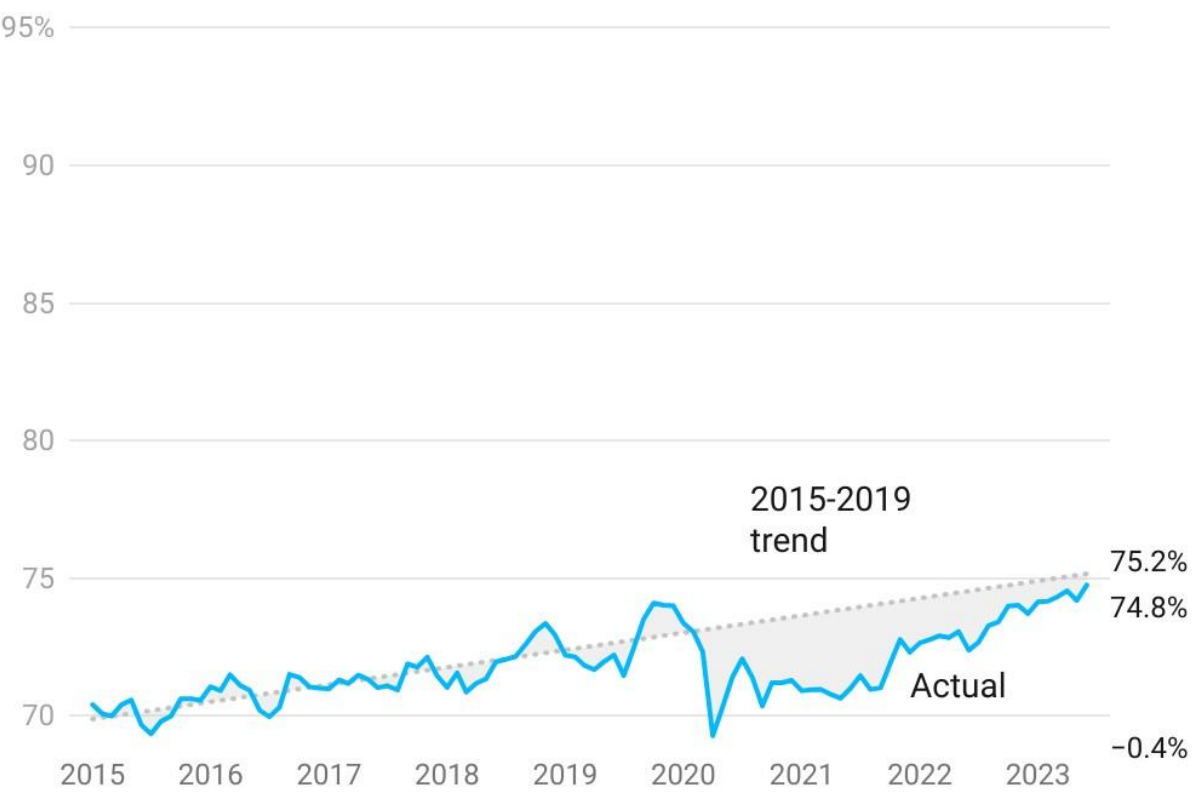
Seasonally adjusted data

Source: Bureau of Labor Statistics • Created with Datawrapper



Mothers' Labor Force Participation Rate vs Prior Trend

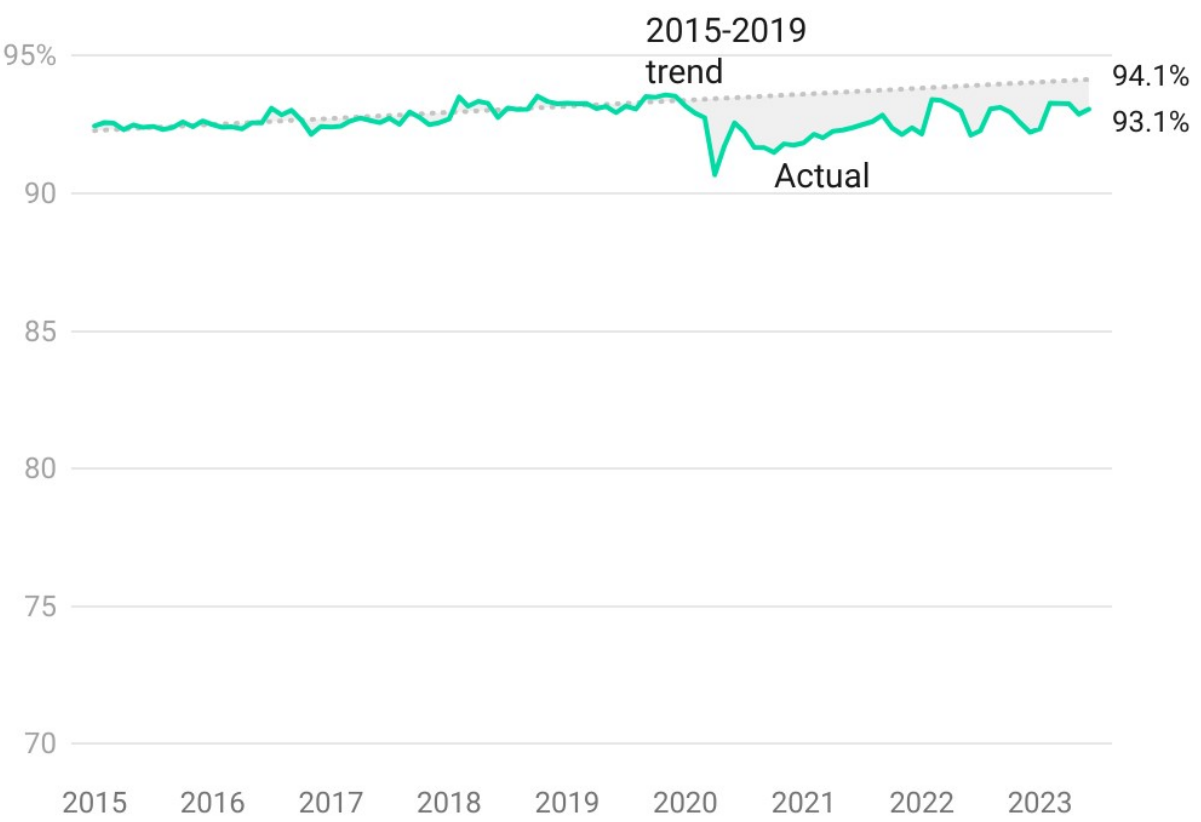
Share of men living with their own children under 18, who are working or looking for work



Seasonally unadjusted data
Source: IPUMS-CPS • Created with Datawrapper

Fathers Labor Force Participation Rate vs Prior Trend

Share of men living with their own children under 18, who are working or looking for work



Seasonally unadjusted data
Source: IPUMS-CPS • Created with Datawrapper



Older Women's Labor Force Participation Rate vs Prior Trend

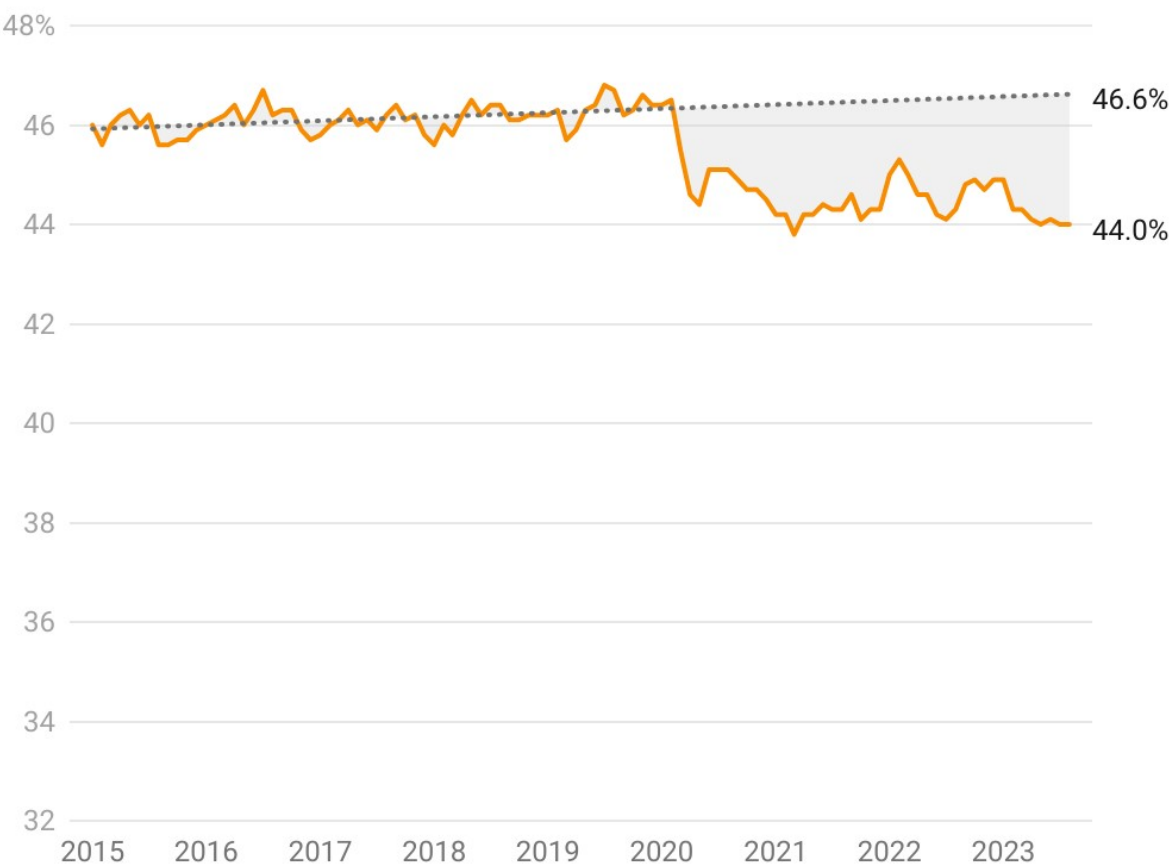
Share of women ages 55+ who are working or looking for work



Seasonally adjusted data
Source: Bureau of Labor Statistics • Created with Datawrapper

Older Men's Labor Force Participation Rate vs Prior Trend

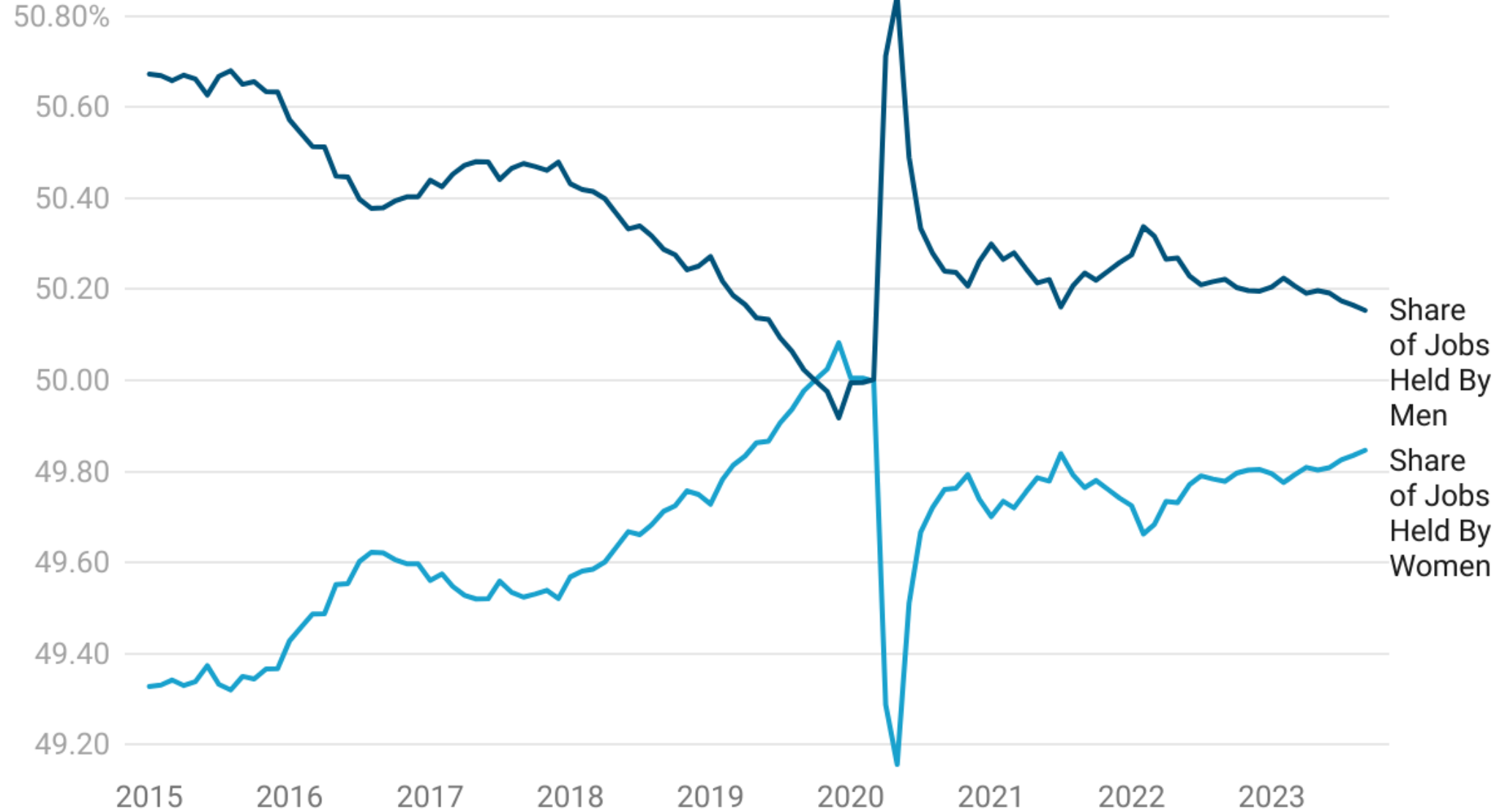
Share of men ages 55+ who are working or looking for work



Seasonally adjusted data
Source: Bureau of Labor Statistics • Created with Datawrapper

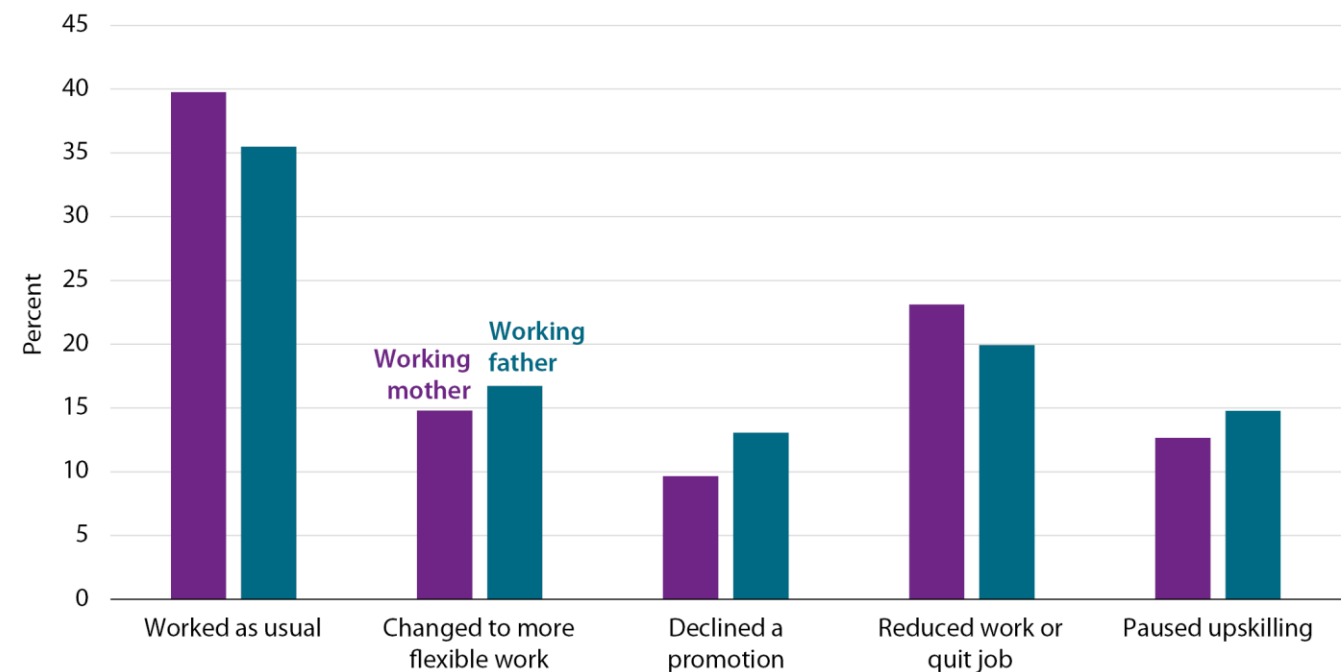


Share of Jobs Held by Men and Women



Parents Struggled: Both Moms and Dads

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Working Parents' Experiences During the Pandemic



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The **unemployment rate** is near a **fifty-year low** in the United States

Unemployment as a share of the labor force

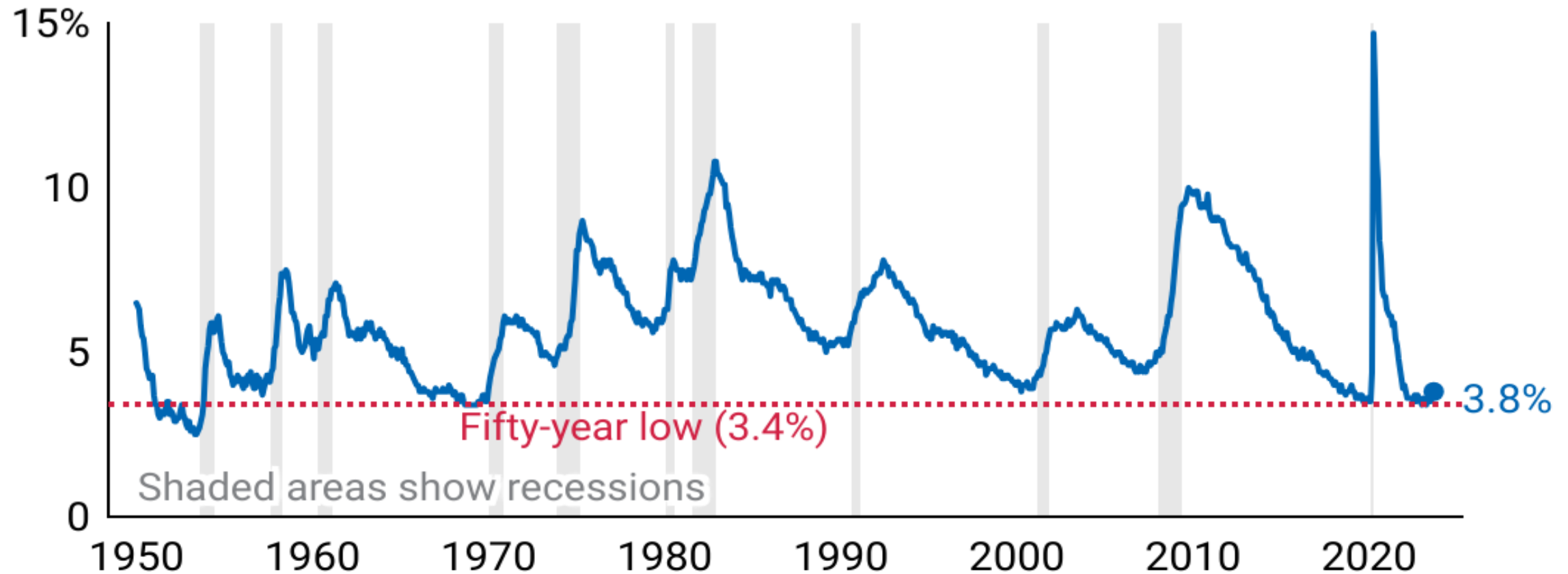


Chart: @Betsey Stevenson • Source: BLS

Employment continues to grow strongly

Thousands of people on non-farm payrolls

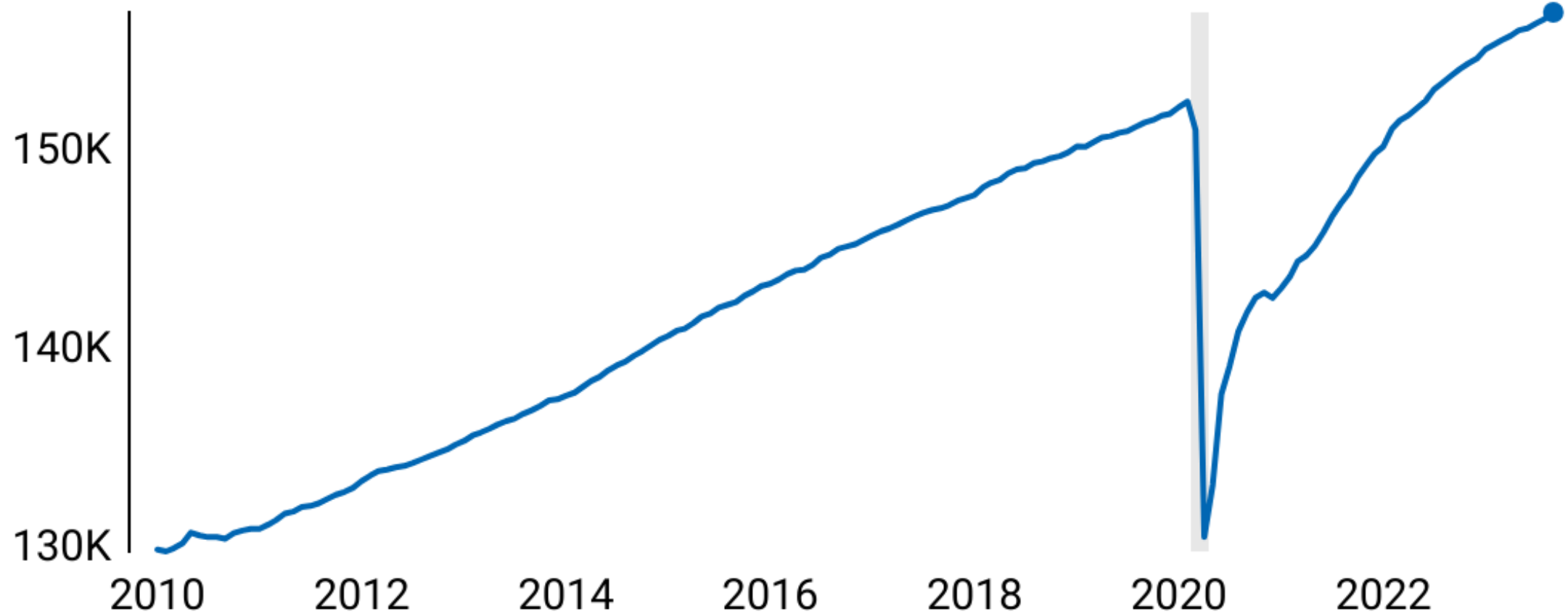
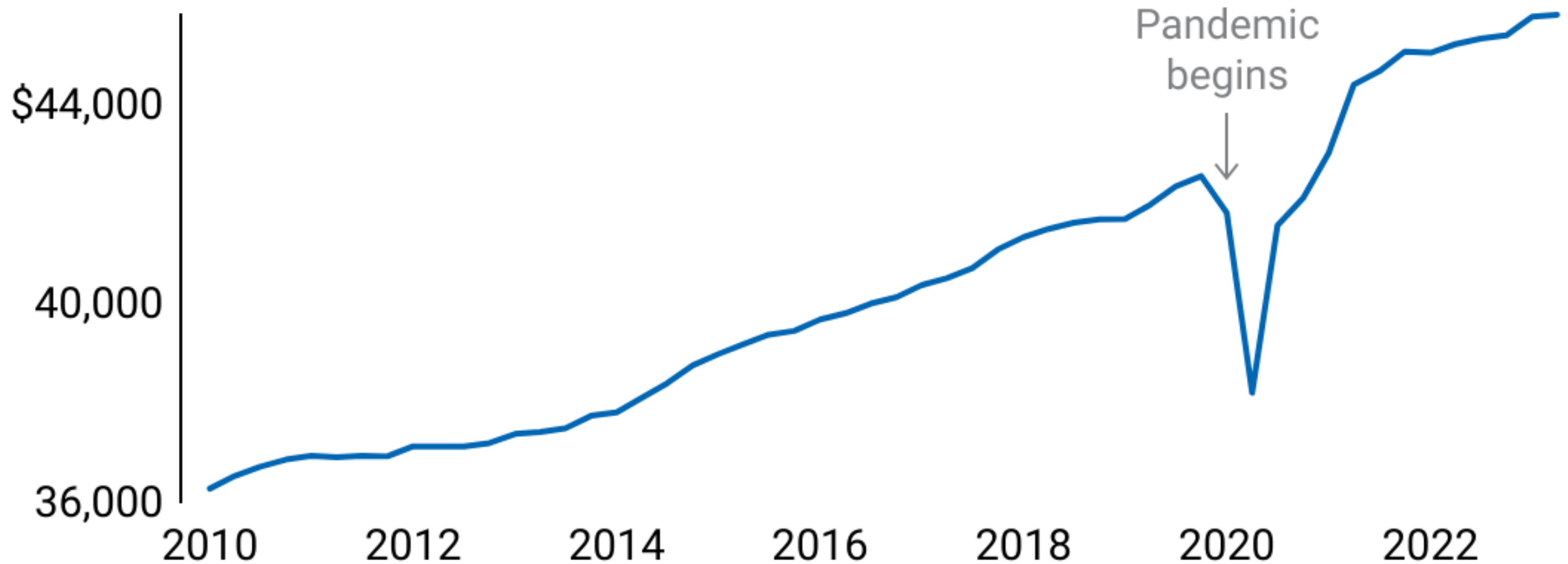


Chart: @BetseyStevenson • Source: Bureau of Labor Statistics

Consumption spending remains remarkably strong (and above the pre-pandemic trend)

Per capita consumption spending adjusted for inflation

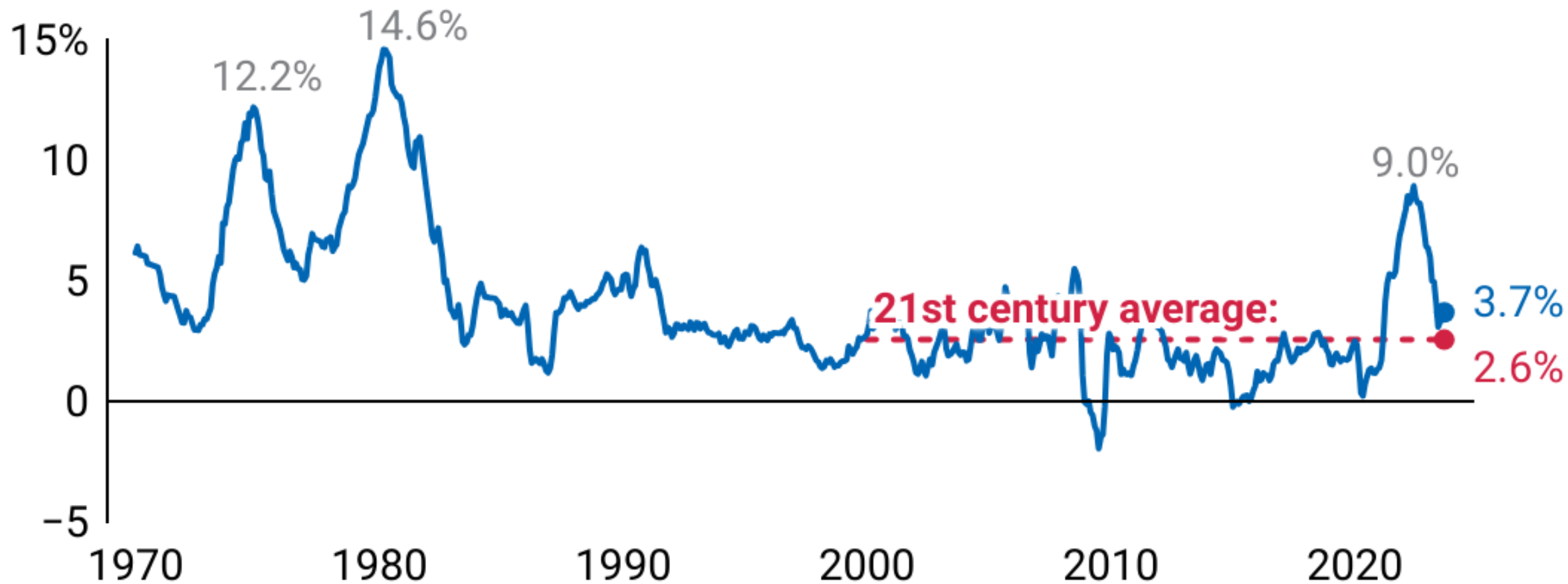


The Economy is Great! Or is it?

- ❑ The data paint a picture of the strongest economy the US has seen since the late 1990s
- ❑ New business formation is surging at unprecedented levels
- ❑ Job openings remain substantially elevated, with new opportunities fueling job changing, high incomes, and high consumption spending

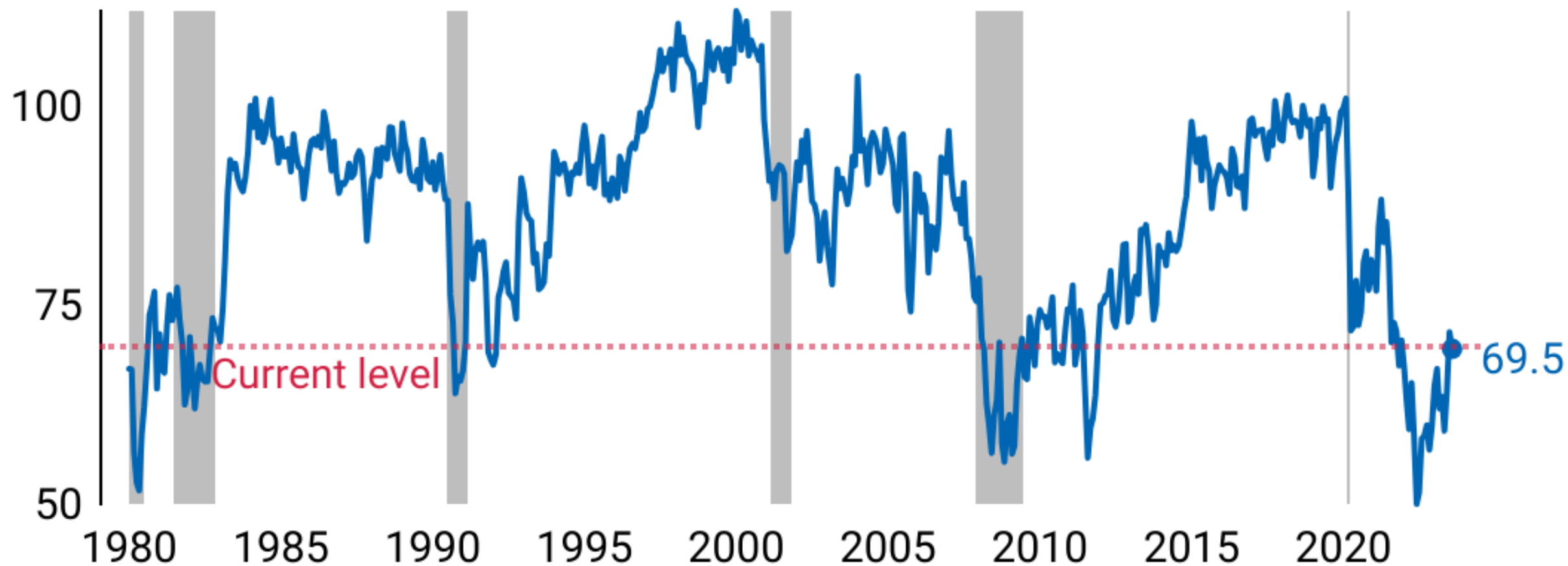
The **inflation rate** rose to a forty year high
...and while it is declining, it remains above its long run average

Annual change in headline CPI



Consumer confidence is at recessionary levels

University of Michigan consumer confidence index

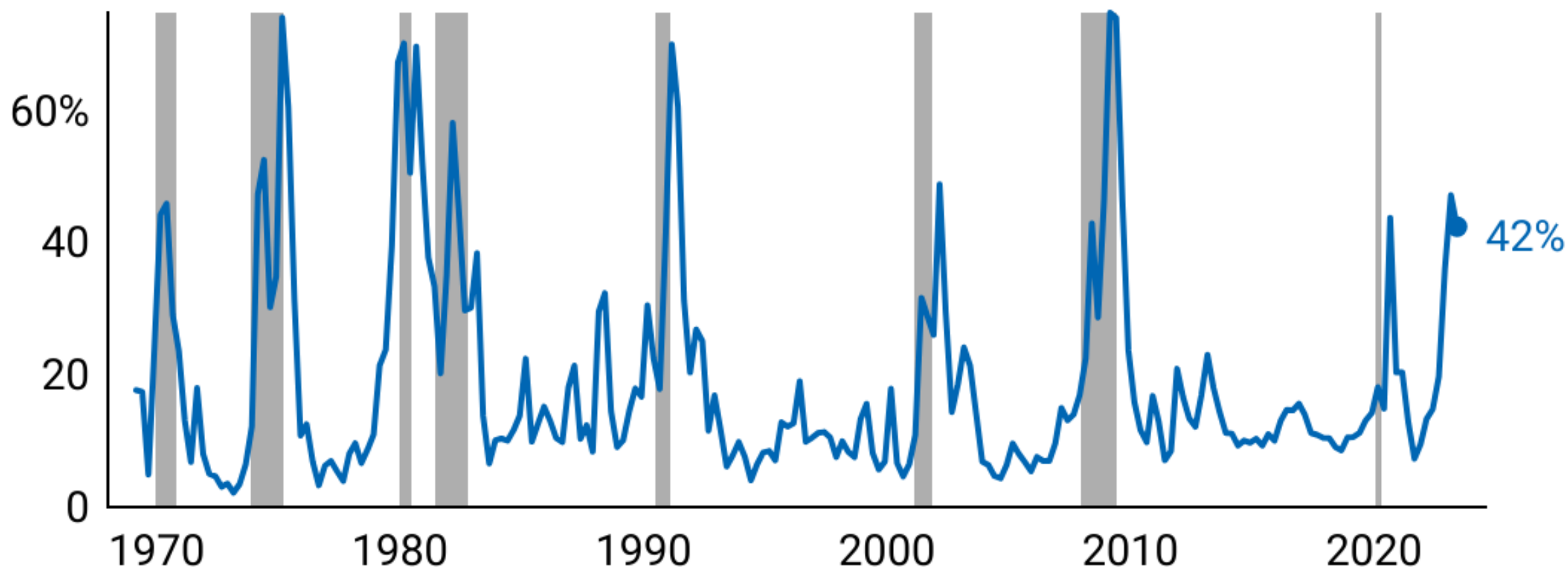


Shaded areas show recessions.

Betsey Stevenson, *Thinking about the economy*

The **"anxious index"** suggests forecasters are worried about a recession

Probability that next quarter's GDP growth will be negative

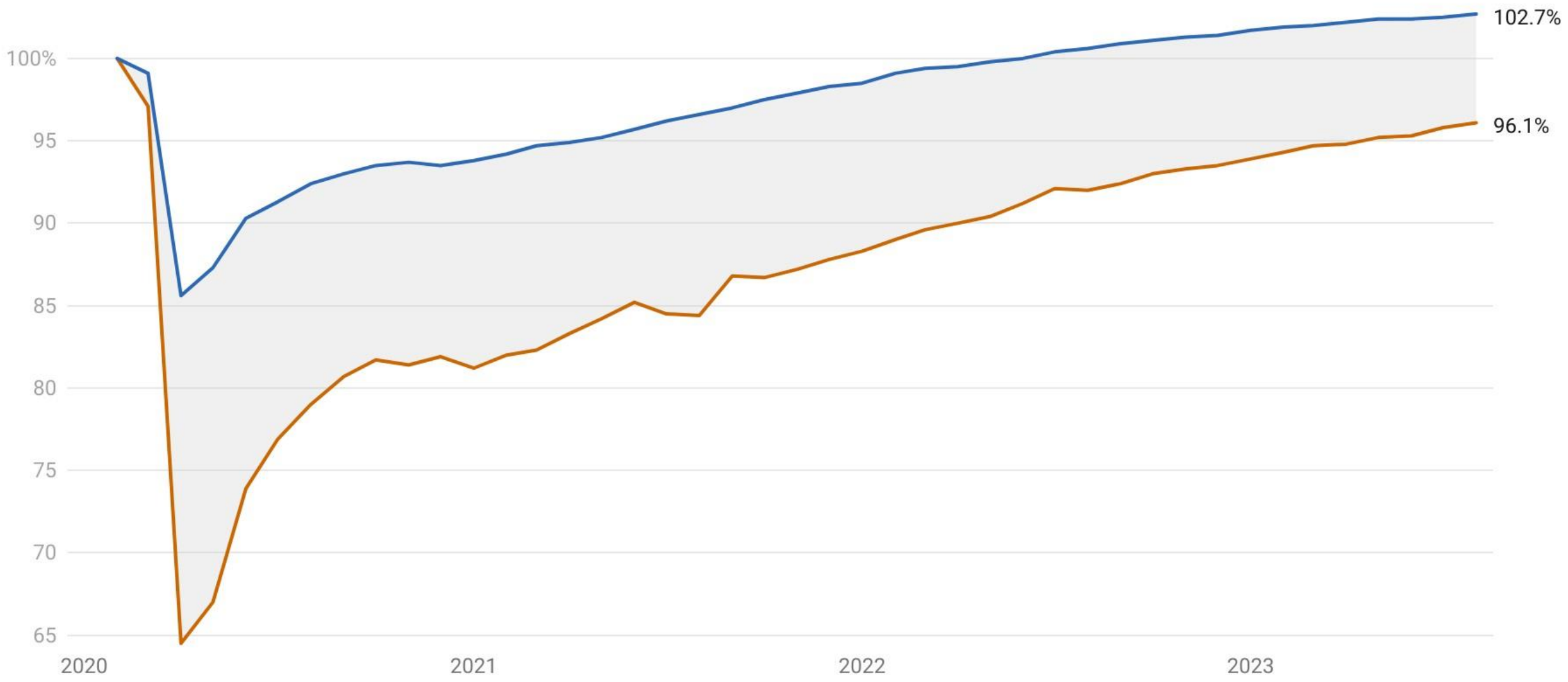


Shaded areas show recessions.

Chart: @betseystevenson • Source: Survey of Professional Forecasters

Child Care Employment Lags Far Behind Employment in the U.S. Overall

Number of employees, compared as % of the peak in February 2020



Workers Absent from Work Due to Childcare Problems Remains Elevated

Thousands of employed persons reporting they were absent from work last week because of childcare problems,



Seasonally unadjusted data presented as a trailing 12-month average

Source: BLS • Created with Datawrapper



Ongoing Illness

Workers Absent from Work Due to Any Kind of Care or Illness Problems

Thousands of employed persons reporting they were absent from work last week because of their own illness, childcare, or other family obligations,



Seasonally unadjusted data presented as a trailing 12-month average

Source: BLS • Created with Datawrapper



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Facts about Work from Home

- People prefer *some* ability to work from home
- People whose work can be done at home are typically more productive at home
- People with more complicated personal lives (e.g. care-giving responsibilities) prefer work from home the most





In 2021, 15 million fewer people commuted alone by private vehicle

“With the number of people who primarily work from home tripling over just a two-year period, the pandemic has very strongly impacted the commuting landscape in the United States.”

Michael Burrows, statistician Census Bureau



Lots of Jobs, Lots of Job-Changers

1. **A reduction in fear and uncertainty**

- ▶ Quits fell by nearly half during the pandemic and household savings rose, as people facing an uncertain situation stayed put to ride out the storm and cut spending to be prepared.

2. **Time to reflect on career and life**

- Life patterns were disrupted during 2020, people spent more time with household members, more time sleeping, doing housework, playing games, watching TV, movies, or videos, and cooking. They spent less time commuting and grooming.

3. **Changing values and priorities about work and life**

- People report wanting more from their job, from their lives. Retirements are up, so are reports of wanting to make a career change

4. **A strong job market and lots of savings**

- High levels of job openings combined with excess saving accumulated early in the pandemic has shaped the labor market of the past few years
-



The Future of Economic Growth

- ❑ Economic growth ultimately comes from one thing: new ideas
- ❑ The pandemic spurred economic growth because of American ingenuity: new business formation surged.
- ❑ By 2022, 1 in 5 families owned a private business, nearly double pre-pandemic rates. New businesses have expanded supply and hired more workers.
- ❑ AI is an amazing new idea and could unleash enormous economic growth, but it raises serious questions about how it will shape society

Generative AI will Create Winners and Losers

- ❑ White collar workers, particularly entry level, will see jobs disappear
- ❑ Challenger, Gray, & Christmas estimated that AI was responsible for 5% of layoffs in May were due to AI
- ❑ Most likely, AI will simply slow hiring and will be hard to quantify

Government Investments

- ❑ Biden administration is on track to support the building of a national network of 500,000 electric vehicle chargers along America's highways
- ❑ U.S. goal is to have Evs make up 50% of new car sales by 2030
- ❑ That goal is being supported by tax credits
- ❑ The technology that allows safer driving combined with the conveniences of electric are drawing consumers to brands like Tesla (which topped Consumer Reports owner satisfaction ratings)

Some final thoughts

- ❑ Women made up more than half of the labor force prior to the pandemic and are on track to once again hold the majority of jobs
- ❑ Women (and men) are having kids at older ages when they have more work and life experience, this shapes how they parent and how they make all of their decisions
- ❑ The economy is likely to slow, but if we are lucky we will avoid a recession.
- ❑ Our bigger focus should be on our long run challenges related to technological change; these will be what fundamentally shape our future economy.

The Future of Work

“We all live in Busytown and we are all workers. We work hard so that there will be enough food and houses and clothing for our families.” Work is mainly, really, about making money to live. And then trying to make some more. A boring, ancient story.

▶ **Noreen Malone** [The Age of Anti-Ambition NYT February 15, 2022](#)



Using Strategy to Pave a Way for All Workers



James Bain
Deputy Director
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Using Strategy to Pave a Way for All Workers



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Assistant Secretary

U.S. DEPARTMENT OF LABOR

YOUTH EMPLOYMENT WORKS



A CALL TO ACTION

#YOUTHEMPLOYMENTWORKS

dol.gov/YEW

Centering young
people at the heart
heart of the
workforce
development
conversation.

Implementing Vision 2030 for Young People – A Focus on Summer 2024



DOL.gov/YEW

Tell Us How You're

- ▶ Creating No Wrong Doors
- ▶ Increasing Partnerships
- ▶ Ensuring Paid Work Experiences



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