Updates on Labor Force Participation and Productivity Growth, Plus Employment in a Recession

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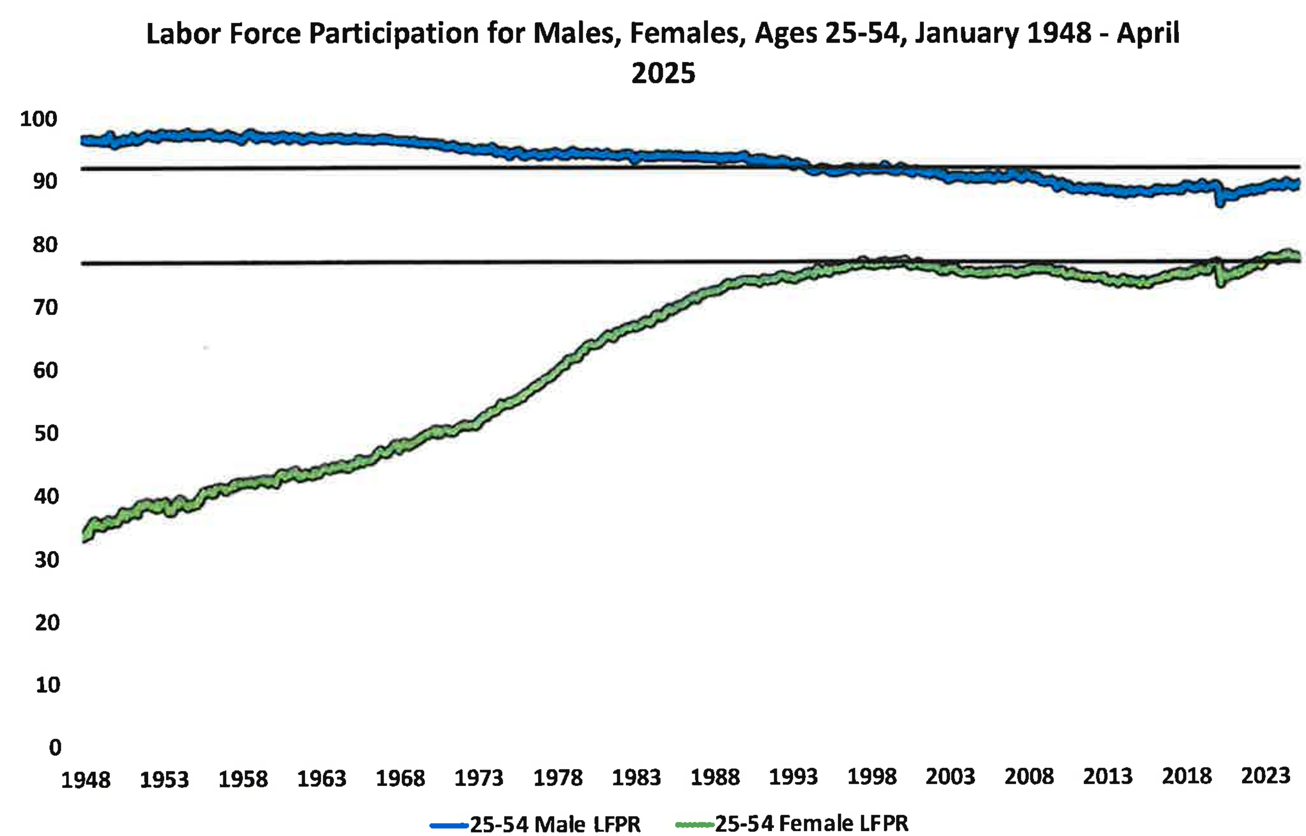
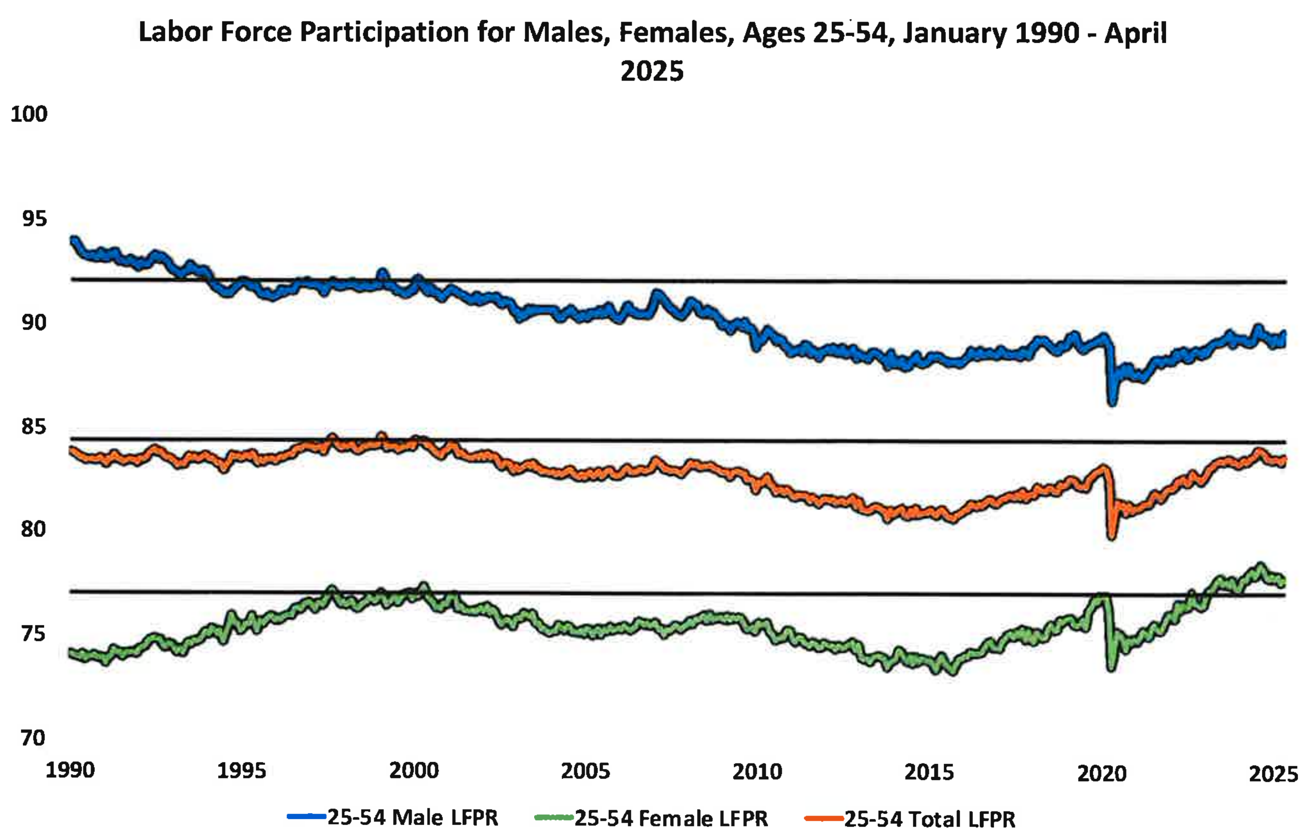
A Brief Glimpse at Three Topics

- Labor Force Participation:
  - How has the different trajectories of males vs. females evolved?
  - How is the decline since 2000 divided between:
    - Baby-boom generation retirement
    - Change within each age group
- Productivity Growth
  - Update on Recent Data
  - Implications for Productivity Trend, Potential GDP Growth
- In a hypothetical mild recession, how would employment growth evolve?

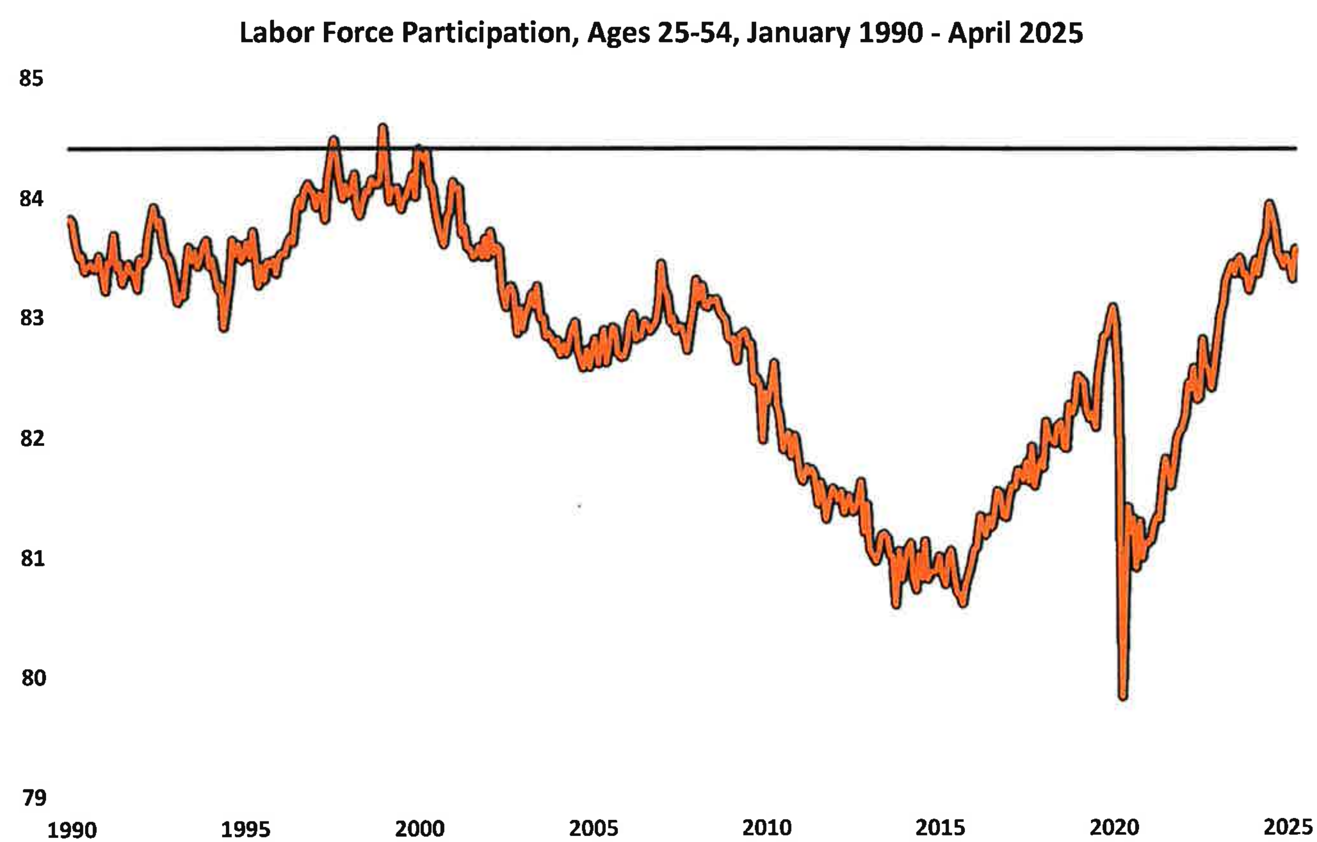
Male vs. Female Prime-Age (25-54) LFPR Since 1948



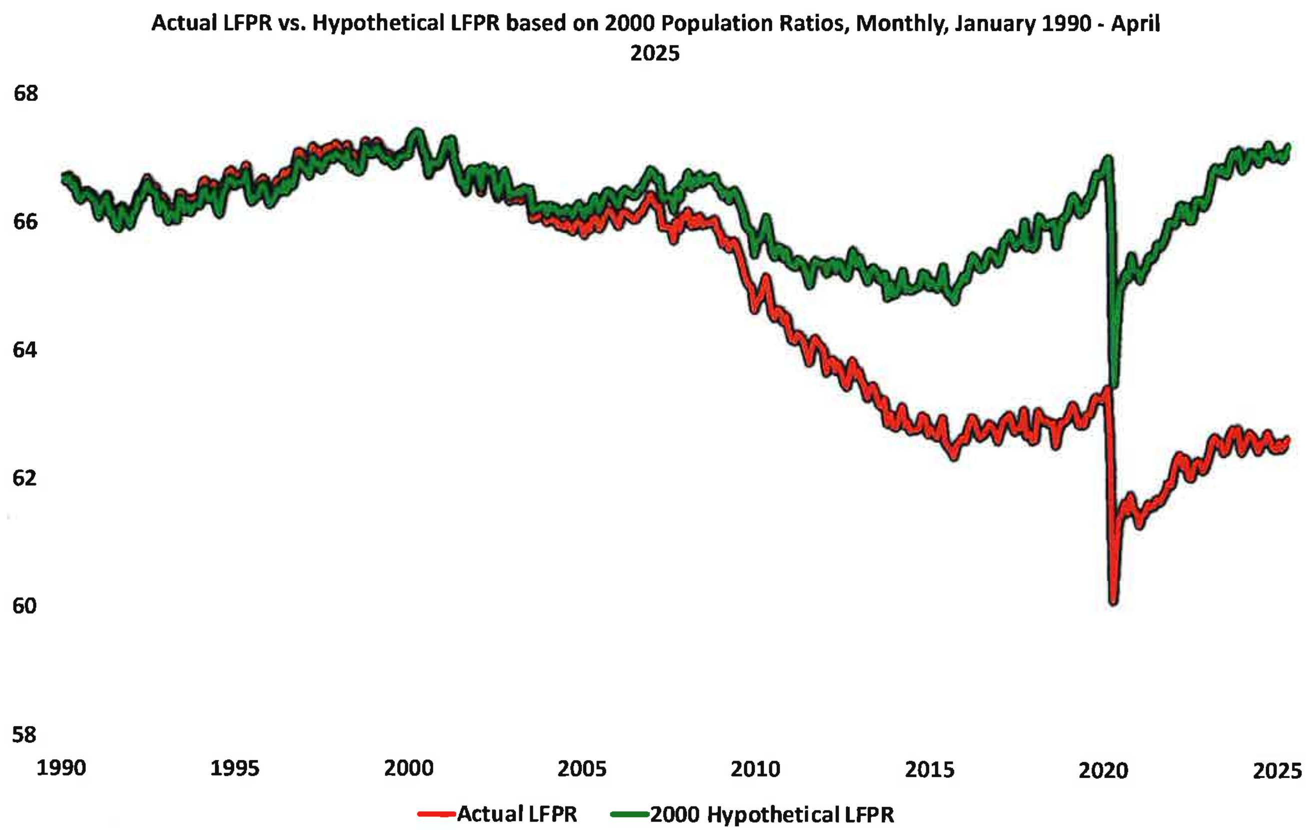
Male, Female, and Total Prime-Age LFPR Since 1990



Both Sexes Prime Age Since 1990, Enlarged Vertical Scale

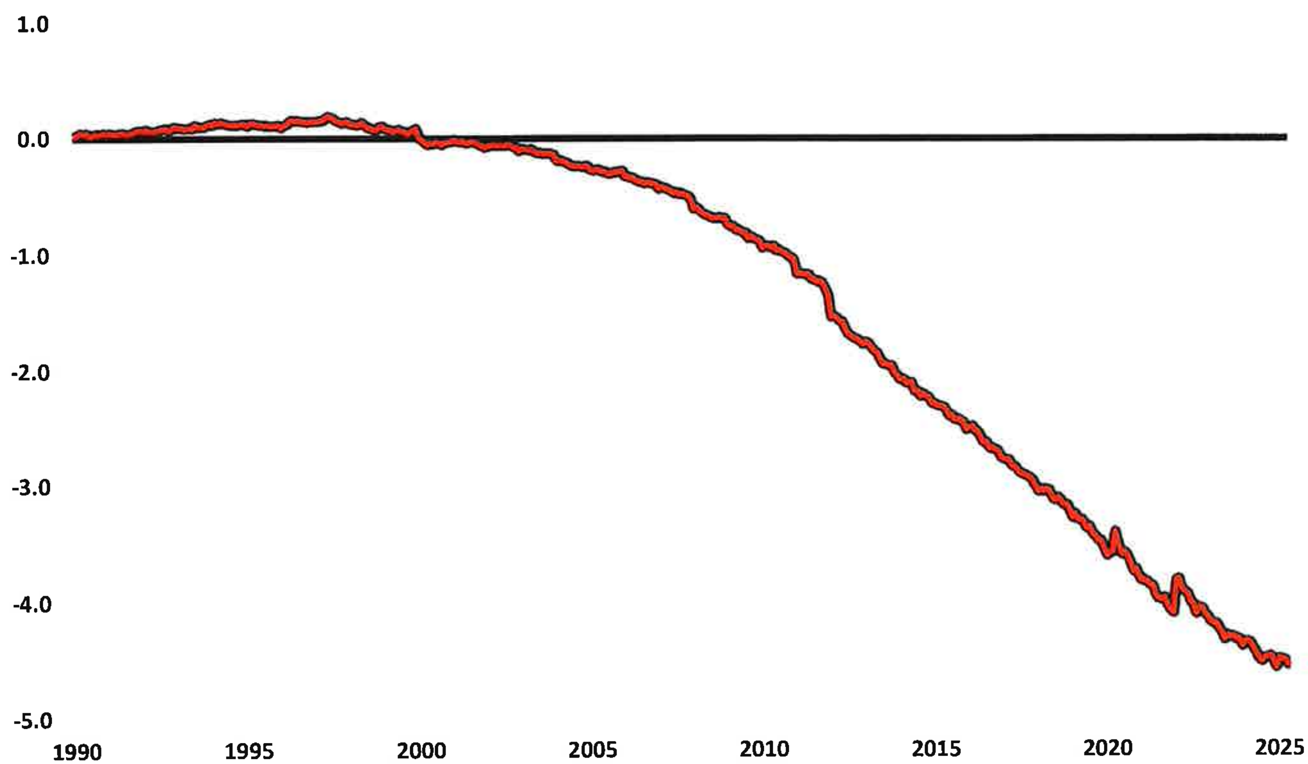


Total All-Age LFPR, Actual (Red) vs. Constant Age Distribution (Green)

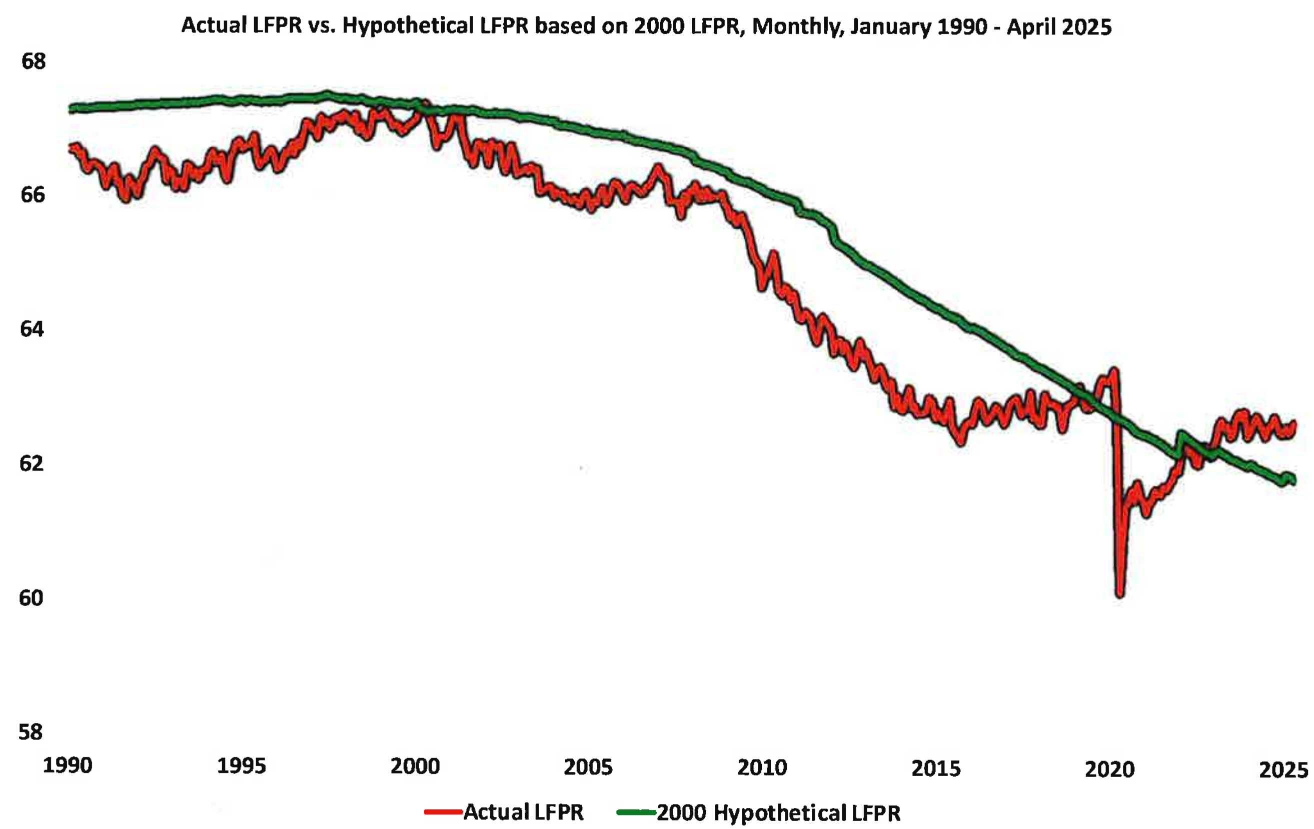


Effect of Changing Age Distribution (Baby-Boom Generation Retirement)

Difference Betweeen Hypothetical and Actual LFPR based on 2000 Population Ratios, Monthly, January 1990 - April 2025

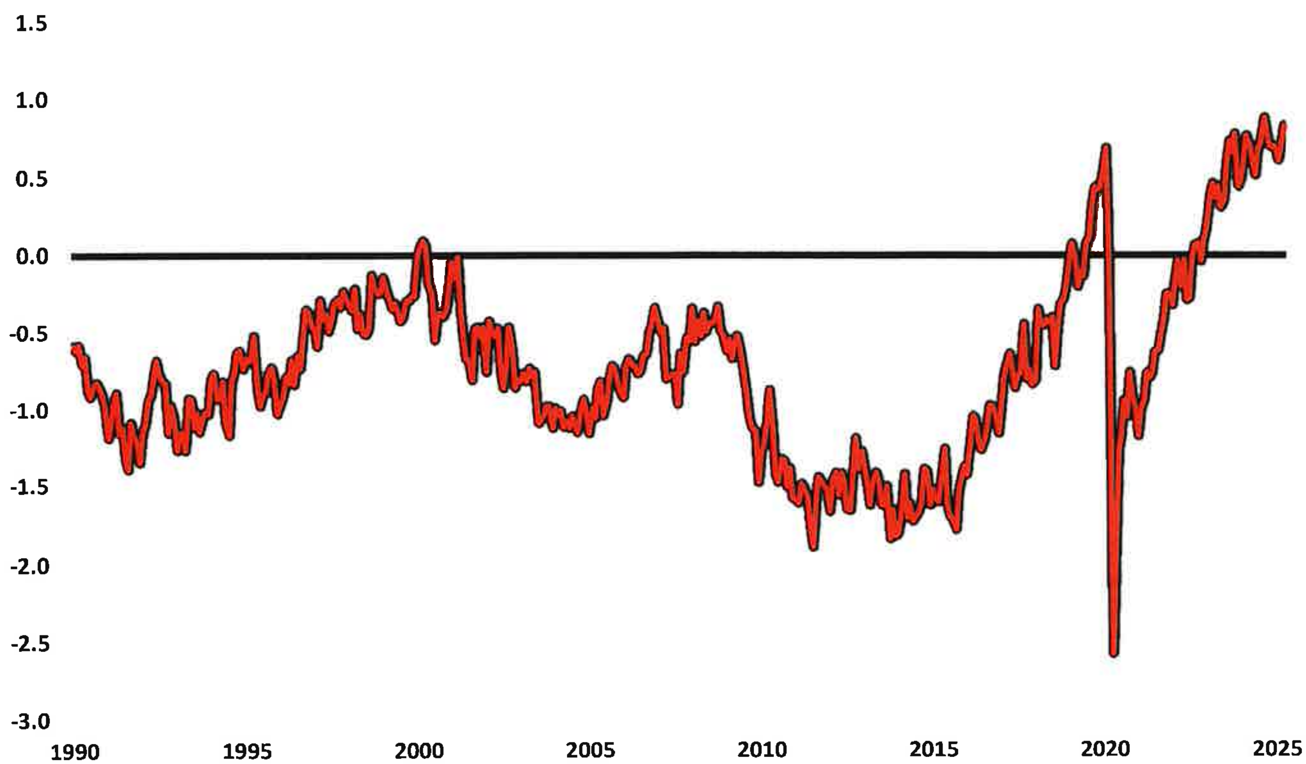


Total All-Age LFPR, Actual {red) vs. Constant LFPR in Each Group

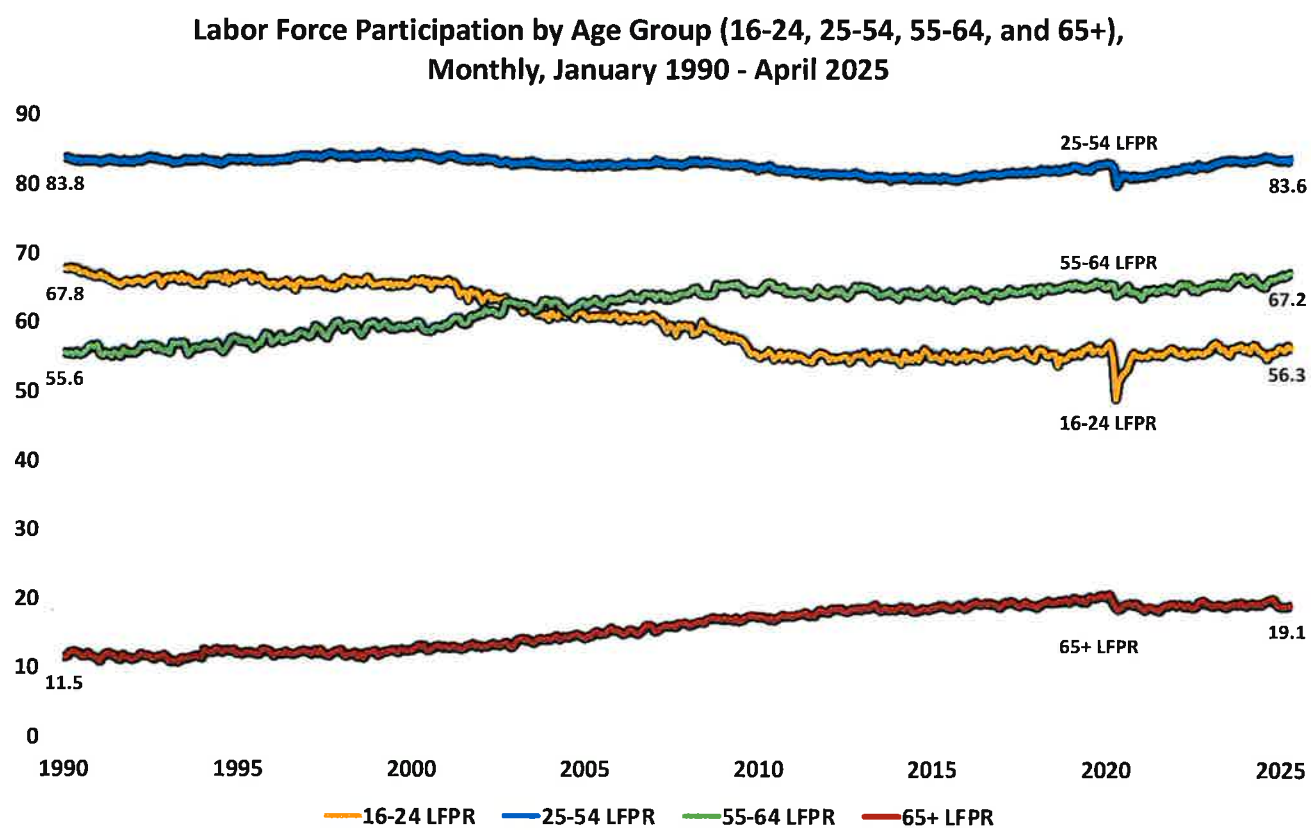


Average Effect of Changing LFPR within Each Age Group

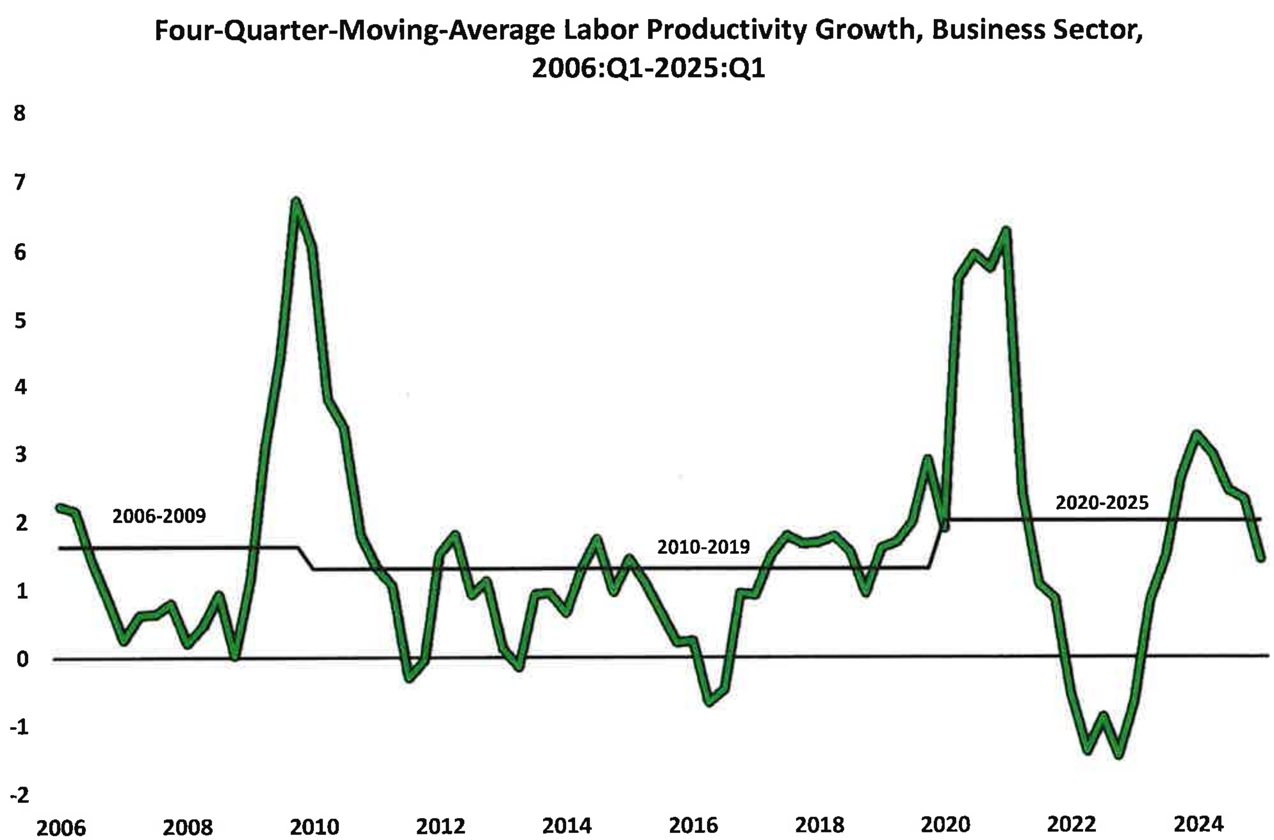
Difference Betweeen Hypothetical and Actual LFPR based 2000 LFPR, Monthly, January 1990 - April 2025



Actual LFPR Within Each Age Group

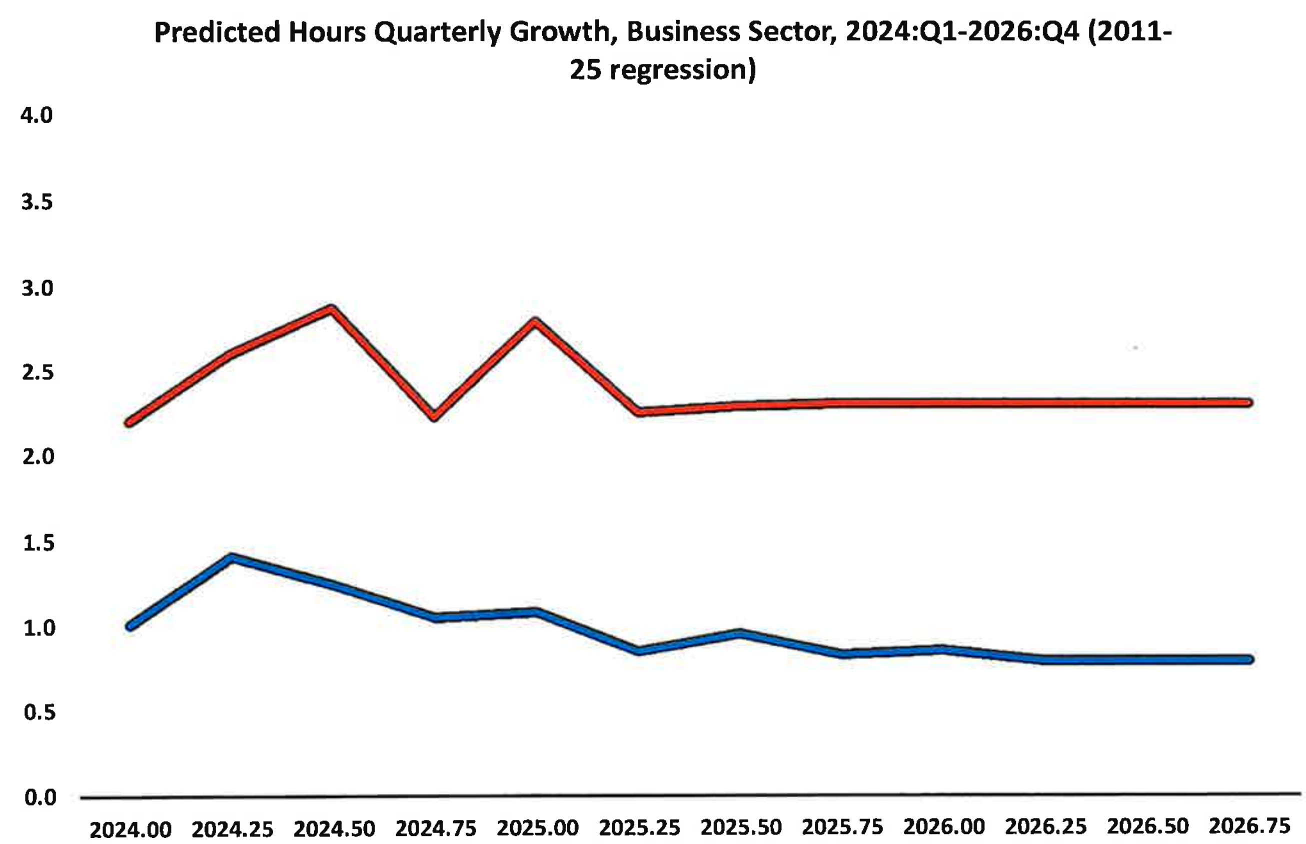


4-Quarter Growth Rate of Business Productivity, 2006-2025



4-Quarter Growth Rate of Business Productivity, 2019-2025

Hypothetical Steady Output Growth (red) and Impied Hours Growth, 2024-26



Hypothetical Output Growth Recession (red) vs. Implied Growth of Hours