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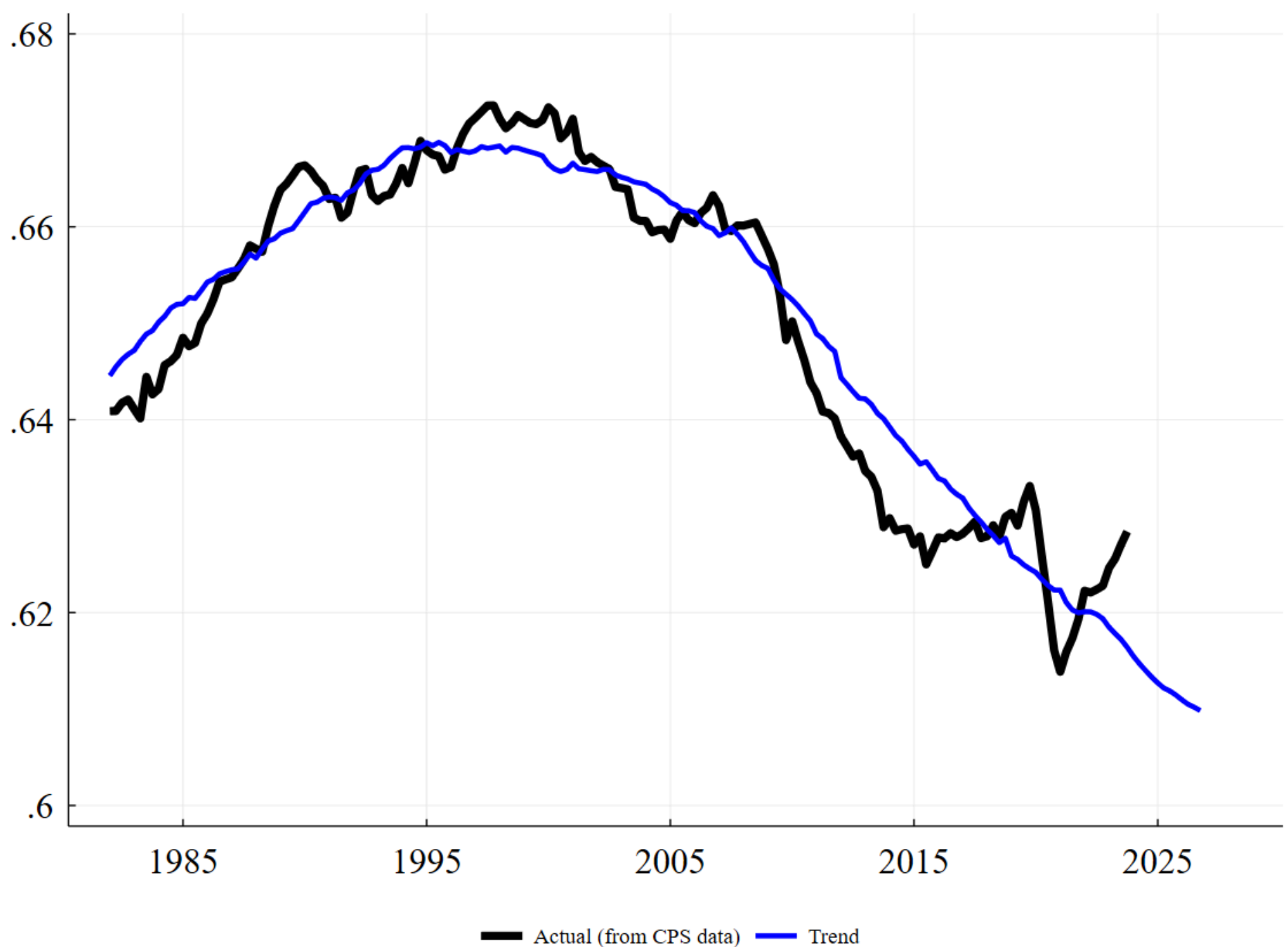
## Updated Chicago Fed Estimate of the Trend Labor Force Participation Rate

By Ross Cole, Luojia Hu

Labor and Demographic Economics

We updated the Chicago Fed estimate of the long-run trend rate of labor force participation, or trend LFP rate,<sup>1</sup> to use data from 1982 through 2023 and to incorporate information about the age of children in the household. See Aaronson et al. (2014) for more information about the general approach to estimating the trend LFP rate.<sup>2</sup>

### 1. Labor force participation rate: Actual and trend



Note: The data for this figure are [available for download](#).

Source: Authors' calculations based on data from the U.S. Bureau of Labor Statistics, *Current Population Survey* (CPS).

# Notes

<sup>1</sup> The labor force participation rate is the share of the working-age population that is either employed or jobless and actively looking for employment. The trend LFP rate is the LFP rate consistent with the contemporaneous composition of the work force and an economy growing at its potential.

<sup>2</sup> Daniel Aaronson, Luojia Hu, Arian Seifoddini, and Daniel G. Sullivan, 2014, “Declining labor force participation and its implications for unemployment and employment growth,” *Economic Perspectives*, Federal Reserve Bank of Chicago, Vol. 38, Fourth Quarter, pp. 100–138, [available online](#).

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