Discussion: “The Outlook for Women’s Employment and Labor Force Participation” by Albanesi (2023)

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Summary

• Prime-age female LFPR peaked in 2000 and since has declined

• This is in contrast to UK and other OECD countries where it held steady or even increased

• In an seemingly tight labor market, are there frictions which keep the supply of labor low among certain groups?

• For women, the frictions may be lack of family friendly policies and child care, as well as tax structure which discourages secondary earners
Discussion

• Point to some other facts and re-frame the question

• Female LFPR in the US fell since 2000, but male LFPR also fell

• Comparing to UK and other OECD countries, also important to look at the intensive margin—hours worked

• True that the growth in female LFPR during 1980-2000 did not continue—is this a concern?
Female Labor Force Participation Rate 25-54

Source: IPUMS-CPS, March ASEC
Trends since 2000 by Group

- Male LFPR is also falling since 2000
- No differential trends since 2000 by education, marital/parental status pointing to child care, parental leave, or tax policy
- The difference is 1980-2000 trend vs. 2000-2020 trend for women
Full-time Employment as a Percentage of Total Employment:
Select OECD Countries

Source: OECD, IPUMS-USA March ASEC
Note: Women 15+, excl. self-emp, worked 30+ per week
The concept used is the total number of hours worked over the year divided by the average number of people in employment.
US vs. UK/OECD

- Relative to UK/OECD, women in US are more likely to work full-time
- Total annual hours per worker is trending down in all countries but US is still at a higher level
- It would be interesting to see if women in UK/OECD have overtaken women in US in terms of total hours
US Annual Hours for Women and Men

- Annual hours for women is steady while it is trending down for men
- Annual hours, conditional on working at all, has continued to increase for women even post 2000
Annual Hours for Workers vs. Non-participation

- US labor market generates more non-participation
- Workers who participate (work at least one week), work a lot of hours
- Interesting question: why is there this inequality of hours in the US?
Slowdown in Female LFPR since 2000

- Decline in female LFPR since 2000 does not look so bad when we compare to male LFPR, and also look at hours
- US women look now like US men (reflecting their greater attachment to the labor force)
- The tremendous growth 1980-2000 has slowed down— is this a concern?
Remaining Supply-side Frictions for Women

- Remaining supply-side frictions may not be at the margin of labor force participation but occupational choice.

- Juhn and Rubinstein (2023) show that occupations which require cognitive, non-routine tasks are associated with long hours.

- Women are under-represented in abstract, non-routine occupations and over-represented in routine occupations due to these long-hours demands.

- At this margin, there appears to be continuing mis-allocation of talent.
References