

Understanding America's Labor Market

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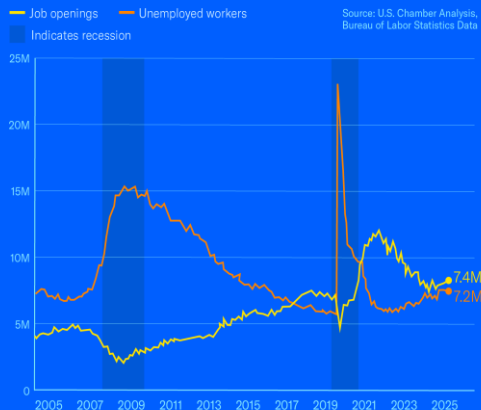
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Defining the Labor Market

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National job openings vs. number of unemployed workers

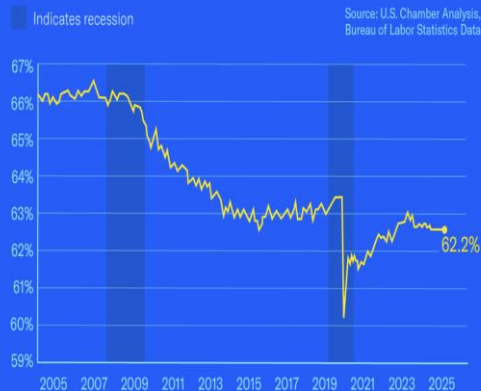
July 2025



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Labor Force Participation Rate

July 2025

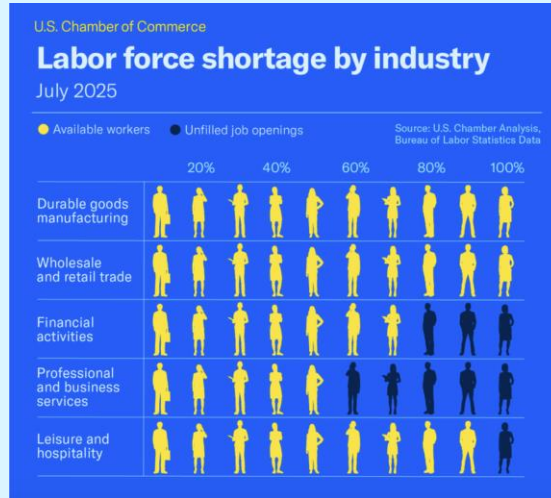
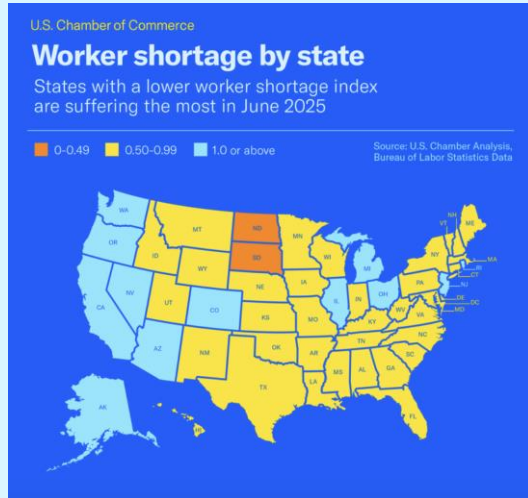


- ❖ If every unemployed person in the country found a job, we would still have **200k open jobs.**
- ❖ There are **97 available workers** for every 100 open jobs in the United States.
- ❖ If the percentage of people participating in the labor force was the same as in February 2020, there would be **3 million more people** in the workforce today.



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Labor Shortages Across the Nation



States & Industries at a Glance

❖ Shortages persist in most states

- SD .48
- CA 1.55
- AZ 1.05
- 37 states <1

❖ Labor shortages exist in

- Education & Health Care
- Financial Activities
- Information
- Leisure & Hospitality
- Mining and Logging
- Professional & Business Services



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Where did our Workers go?



Record Savings: American families saved more than \$2.3 trillion during pandemic.



Record Retirements: 2.4 million excess retirees as of April 2023.



More New Business Starts: 5.2M new business applications in 2024, 16M new business applications between 2021 – 2022.



Social Media: 2 million content creators made 6-figures on social media platforms.



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What are the continued challenges?



Inflation and Wages: After rapid increase, inflation is easing, and wage growth is stabilizing.



Return to Work Challenges: Increased cost of childcare, housing, WFH norms.



Benefits Cliff: More than half of all workers in the bottom 20% of the wage distribution receive public benefits.



Skills Mismatch: The future workforce is projected to be under-skilled for the jobs of tomorrow.



Demographic Drought: An aging population and decreased birth rate will lead to a continued shortage of workers.



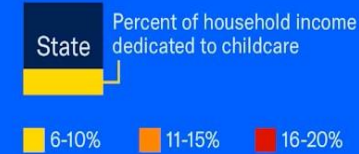
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Childcare costs remain sky high

Annual cost of childcare for a 4-year-old

Source: Child Care Aware (CCA) and U.S. Census Bureau, 2021



Women in the Workforce

- ❖ 77.7% prime age women participating in labor force
- ❖ 79% of mothers cited home and family care as the leading reason for exiting the workforce, only 23% of men cite the same reason (2021).
- ❖ Women represent 51% of the college-educated workforce, are now studying medicine at higher numbers than men, and have hit new records of Fortune 500 leadership.



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Most popular occupations for women*



Women represent:

Source: U.S. Chamber of Commerce Analysis, U.S. Bureau of Labor Statistics, December 2023 *Based on share of women employed
**Excluding legal, medical and executive assistants

99 out of 100

Skincare specialists

97 out of 100

Preschool/kindergarten teachers

96 out of 100

Legal secretaries and administrative assistants

96 out of 100

Dental hygienists

94 out of 100

Speech-language pathologists

94 out of 100

Childcare workers

93 out of 100

Dental assistants

93 out of 100

Medical secretaries and administrative assistants

92 out of 100

Hairdressers, hairstylists, and cosmetologists

92 out of 100

Secretaries and administrative assistants**

The Labor Shortage is Here to Stay

Declining Participation

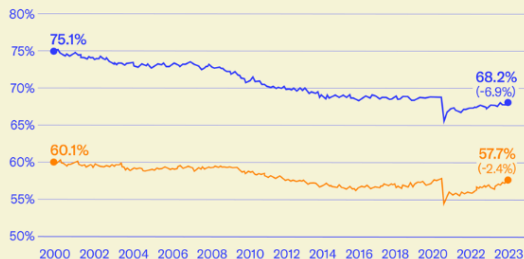
Men are leaving the workforce at a faster rate than women



Labor force participation rate

Source: U.S. Bureau of Labor Statistics

■ Men ■ Women



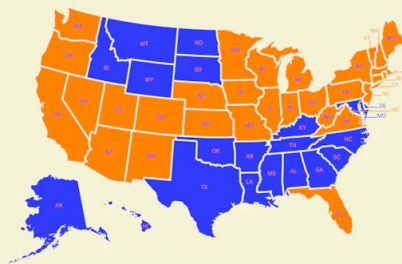
Aging Population

There are fewer enrolled first grade students than high school seniors in 30 U.S. states



■ First grade students > high school seniors
■ High school seniors > first grade student

Source: National Center for Education Statistics, 2021-2022



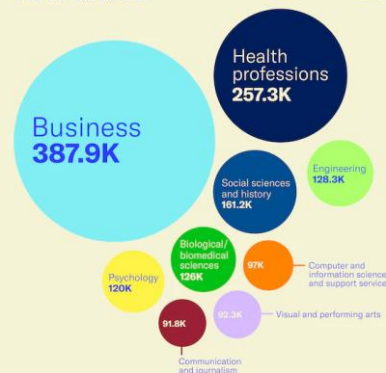
Skills Mismatch

What topics are Bachelor's degree students pursuing?



Bachelor's degrees conferred over the last decade

Source: U.S. Chamber of Commerce Analysis, National Center for Education Statistics, 2021-2022



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What Does This Mean for Employers?

Remote Work Remains Popular

Remote work remains high, but has leveled off from historic high



Percentage of employees who work from home part of the time

Source: National Bureau of Economic Research, 2023



Americans are on the Move

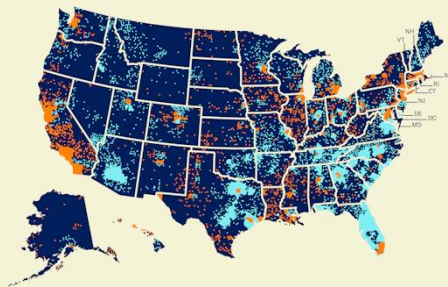
U.S. migration trends



The most populous counties are losing people at a steady pace

Source: U.S. Census Bureau, 2021-2022

Positive migration Negative migration



Vacancies are Staking Up

Office vacancy rates of major U.S. cities



Total vacancy

Source: CommercialEdge, 2023



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How is the Chamber Responding?



Called for Improvements to Childcare: The Chamber is actively advocating for the enhancement of three childcare tax programs, the Employer-Provided Childcare Tax Credit (45f), the Child and Dependent Care Tax Credit (CDCTC), and the Dependent Care Assistance Program (DCAP).



Promoting Pathways to Education: The Chamber is working to expand opportunities for workers to access educational pathways by advocating for programs such as CTA, Short-Term Pell Grants, and Career and Technical Education (CTE Perkins).



Supporting Investments in Reskilling and Upskilling Talent: The Chamber has endorsed several bills that enhance workforce development programs including the Skills Investment Act, Cyber PIVOTT Act, and Workforce Innovation and Opportunity Act (WIOA) Reauthorization.



Enhancing Apprenticeships: The Chamber is championing more registered employer-led apprenticeships with an increase of approved jobs for workers.



Expanding the Talent Pool: The Chamber supports an expansion of the workforce to combat the current and ongoing labor shortage by endorsing the expansion of the Workforce Opportunity Tax Credits and Second Chance Act Reauthorization.



Leading the LIBERTY Campaign: The Chamber created the campaign for Legal Immigration and Border Enforcement Reform This Year (LIBERTY) to encourage Congress to enact measures to secure our borders and modernize our legal immigration system to address the chronic worker shortage.



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