Are women leaving the labor force?

Recent interruptions in women's labor force gains do not appear to signal a reversal in their trend of increasing participation

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For nearly three decades, the participation rates of women—the proportion of their population working or looking for work—rose consistently, regardless of economic contraction (recession) or expansion. However, between 1989 and 1991, this trend was interrupted and, while the proportion increased again in 1992, it flattened out in 1993.

This sudden interruption generated a great deal of speculation regarding its cause and meaning. Indeed, some observers believed it indicated that women were leaving the labor force to care for their children or to become homemakers. The Bureau of Labor Statistics attributed the 1989–91 interruption to three factors: the business cycle; a pronounced rise in births; and changes in the generally erratic participation trends of 16- to 24-year-old women, particularly teenagers.[1]

The resumption of labor force growth among women in 1992 temporarily silenced some of the speculation. But when growth again halted in 1993, analysts speculated that a trend reversal had reemerged. These speculations were reflected in such statements as: "In just the past two years, a quiet counterrevolution has begun . . . . the exodus of women from the labor force. . . . The two-paycheck family is on the decline; the traditional one-paycheck family is now the fastest growing household unit."[2]

Do these statements accurately reflect today's labor force trends? Are major new shifts occurring in women's labor force participation and in family employment patterns? These questions are addressed in this report, which examines data on trends in labor force participation among women (particularly those under age 45) and on trends in employment patterns in two-parent families. The data are from the Current Population Survey.[3]

What the data show

Women 16 to 24 years old are at an age when the transition from youth and school to work and adulthood occurs. During this transition the labor market attachment is often tenuous, especially for teenagers. In 1993, the labor force participation rate of teenage girls (aged 16 to 19) was 49.9 percent, 12 percentage points higher than in 1965. However, this growth did not proceed as a steady progression. (See table 1.) Instead, the movements in this group's labor force participation rate appear to parallel the business cycle, growing during periods of economic expansion and shrinking during periods of contraction.

Family formation certainly did not play a major role in the most recent decline in labor force participation among these teenagers, as the proportions who were married (5 percent) or had children (8 percent) were unchanged over the period. School enrollment, however, may have played a role, because students are considerably less likely to participate in the labor force than are nonstudents of the same age. In 1993, 64

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percent of the teenage girls were in school, up 4 percentage points from 1989.

The trend in the participation rate of women aged 20 to 24 was much smoother, increasing steadily, and peaking at 73 percent in 1987. Subsequently, it began edging downward, reaching 70 percent in 1991. Again, marital status or motherhood appears to have had little to do with this decline. The proportion who were married was somewhat lower in 1993 than in 1987 (28 percent versus 33 percent), reflecting the trend toward later marriages, while the proportion with children (30 percent) remained unchanged. School enrollment is probably the major factor underlying these women's post–1987 labor force trend: the proportion who were in school increased from nearly 20 percent in 1987 to 26 percent by 1993.

Other age groups. The increase in labor force participation among women aged 25 to 34 and 35 to 44 began slowing in the late 1980's; since 1990, their participation rates appear to have flattened. The participation rates of women aged 45 to 54 continued to advance through the early 1990's, while those for women aged 55 and older remained flat.

Two-parent families. The participation rates discussed so far do not differentiate between women with family and child-care responsibilities and those without such responsibilities. Therefore, the data may obscure any indications that married mothers are leaving the work place to return to homemaking roles.

Changes in employment patterns of families from 1987 to 1992 show that this is not the case; women are not leaving the work force to return to the lifestyles that prevailed more than 30 years ago. The "traditional" family in which the husband, but not the wife, is an earner was somewhat less prevalent in 1992 than in 1987. (See table 2.) Also, the proportion of dual-earner families (two-parent families in which both parents are earners) was about the same in both years. If a reversal of women's long-term labor force trends and a movement toward a more traditional family role for women had been underway during the period, one would expect an increase in the number and proportion of "traditional" families, accompanied by a decline in dual-earner families.

Although the number or proportion of "traditional" families did not increase in the 1987–92 period, the numbers and proportions of "tradi-

Table 1. Labor force participation rates of women by age, annual averages, 1965–93

[In percent]

Year	Total, 16 years and older	16 to 19 years	20 to 24 years	25 to 34 years	35 to 44 years	45 to 54 years	55 years and older
1965	39.3	38.0	49.9	38.5	46.1	50.9	24.6
1966	40.3	41.4	51.5	39.8	46.8	51.7	24.8
1967	41.1	41.6	53.3	41.9	48.1	51.8	25.0
1968	41.6	41.9	54.5	42.6	48.9	52.3	25.0
1969	42.7	43.2	56.7	43.7	49.9	53.8	25.5
1970	43.3	44.0	57.7	45.0	51.1	54.4	25.3
1971	43.4	43.4	57.7	45.6	51.6	54.3	25.1
1972	43.9	45.8	59.1	47.8	52.0	53.9	24.5
1973	44.7	47.8	61.1	50.4	53.3	53.7	23.8
1974	45.7	49.1	63.1	52.6	54.7	54.6	23.0
1975	46.3	49.1	64.1	54.9	55.8	54.6	23.1
1976	47.3	49.8	65.0	57.3	57.8	55.0	23.0
1977	48.4	51.2	66.5	59.7	59.6	55.8	22.9
1978	50.0	53.7	68.3	62.2	61.6	57.1	23.1
1979	50.9	54.2	69.0	63.9	63.6	58.3	23.2
1980	51.5	52.9	68.9	65.5	65.5	59.9	22.8
1981	52.1	51.8	69.6	66.7	66.8	61.1	22.7
1982	52.6	51.4	69.8	68.0	68.0	61.6	22.7
1983	52.9	50.8	69.9	69.0	68.7	61.9	22.4
1984	53.6	51.8	70.4	69.8	70.1	62.9	22.2
1985	54.5	52.1	71.8	70.9	71.8	64.4	22.0
1986	55.3	53.0	72.4	71.6	73.1	65.9	22.1
1987	56.0	53.3	73.0	72.4	74.5	67.1	22.0
1988	56.6	53.6	72.7	72.7	75.2	69.0	22.3
1989	57.4	53.9	72.4	73.5	76.0	70.5	23.0
1990	57.5	51.8	71.6	73.6	76.5	71.2	23.0
1991	57.3	50.2	70.4	73.3	76.6	72.0	22.8
1992	57.8	49.2	71.2	74.1	76.8	72.7	23.0
1993	57.9	49.9	71.3	73.6	76.7	73.5	23.0

Table 2. **Two-parent families with children under age 18, by earner status of father and mother, 1987–92**

[Numbers in thousands]

Year	Total two-parent families	Father earner, not mother		Father and mother earners		Father not earner[1]	
		Number	Percent of total	Number	Percent of total	Number	Percent of total
1987	24,635	6,557	26.6	17,120	69.5	958	3.9
1988	24,751	6,474	26.2	17,321	70.0	956	3.9
1989	24,552	6,336	25.8	17,299	70.5	917	3.7
1990	24,435	6,360	26.0	17,200	70.4	875	3.6
1991	24,460	6,020	24.6	17,377	71.0	1,063	4.3
1992	24,746	6,281	25.4	17,285	69.8	1,180	4.8

[1] Includes families in which mother and /or other family members are earners,or in which there are no earners.

NOTE: Data on earner status of individuals during a specific calendar year is collected in March of the following year.

tional" and dual-earner families fluctuated noticeably between 1990 and 1992. These movements—which have not resolved into any identifiable trends—are probably the result of the poor conditions in the labor market that prevailed during the period. Not only did the number and proportion of "traditional" and dual-earner families fluctuate during the period, but a sharp increase occurred in two-parent families in which the father was *not* an earner. Such families include those in which the mother or other relatives (excluding the father), or both, were earners, and families without earners at all. In fact, two-thirds of the gain in number of these other families was accounted for by families in which only the mother was an earner.

What the data mean

Individually, large numbers of women enter or leave the labor force in the course of a year. But the suggestion that the balance has tipped in favor of a flow of women out of the labor force is not supported by the data.

A closer look at trends in women's labor force activity does not reveal evidence that women are leaving the labor force in large numbers to become homemakers. Among the 16- to 19- and 20- to 24-year-old women—whose labor force participation rates have indeed declined in recent years—the overwhelming majority have neither husbands nor children. An increase in school enrollment and the recessionary job market of the early 1990's are the most likely causes of a decline in their work activity. The labor force participation rates of women aged 25 to 44 have not moved up or down consistently since 1990.

Similarly, data on families do not support the notion that women are leaving the labor force. While the numbers and proportions of "traditional" and dual-earner families changed in the early 1990's, these fluctuations did not exhibit signs of establishing trends. The movements also appear to reflect the recessionary labor market of the period, which also is the likely reason for the sharp increase in the number and proportion of two-parent families in which the father was not an earner.

The cessation in the secular growth in women's labor force participation, as shown in the 1989–93 data, is meaningful. But it is too early to proclaim that the trend of increasing labor force participation rates of women has been halted. □

Footnotes

[1] See "Women's labor force growth appears stalled," *Issues in Labor Statistics*, Summary 92–2 (Bureau of Labor Statistics, January 1992).

[2] See Maggie Mahar, "A change of place," *Barron's* March 21, 1992, pp. 33–38.

[3] The current Population Survey (CPS) is a nationwide sample survey of about 60,000 households conducted each month by the Bureau of the Census for the Bureau of Labor Statistics. The survey obtains information on the labor market activity of persons 16 years and older in the civilian noninstitutional population.