Employment, Occupation and Financial Situation in the United States: A 2022 Overview

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This handout summarizes (i) how income and wealth vary across the employment status in the United States and (ii) whether the financial situation is correlated with the household occupation, drawing on 2022 data from the Survey of Consumer Finances (SCF). The study presents a snapshot of the latest data using the Bureau of Labor Statistics' framework for the employment status (employed, unemployed, and out of labor force) and the SCF data for the occupation of employed households.

Employment Status and Inequality

Income and wealth distributions across employment statuses exhibit patterns similar to those observed at the aggregate level: for a given employment status, wealth inequality exceeds income inequality.

In the income distribution, households with employed heads have twice the income of those with unemployed heads, whereas out of the labor force (OLF) households fall between the two statuses. Within-group variation remains substantial, households in the fourth quintile of the unemployment distribution have approximately the same income as those in the second quintile of the employed distribution.

Income distribution by labor market status

	Employed	Unemployed	OLF
Average (x 10^3 USD)	166.4	83.3	100.3
1st Quintile	28.2	7.1	14.0
2nd Quintile	56.3	20.8	26.7
3rd Quintile	89.1	32.9	46.6
4th Quintile	136.9	57.8	79.0
5th Quintile	521.5	296.8	334.9
Gini coefficient	.58	.69	.63

Average income, income quintiles, and income inequality by labor market status.

In the wealth distribution, OLF households possess the highest average wealth, slightly exceeding employed households and far surpassing the unemployed. The OLF category reflects the heterogeneity within the group, with retired households possessing a substantial amount of assets and discouraged workers with limited resources.

Wealth Distribution by Labor Market Status

	Employed	Unemployed	OLF
Average (x 10^3 USD)	1057.2	396.5	1120.2
1st Quintile	-13.2	-8.9	-8.5
2nd Quintile	50.5	3.7	73.9
3rd Quintile	181.2	44.0	263.4
4th Quintile	497.8	202.7	640.3
5th Quintile	4567.9	1736.7	4625.9
Gini coefficient	.84	.86	.8

Average wealth, wealth quintiles, and wealth inequality by labor market status.

Occupation and Inequality

This section focuses on the relationship between financial situation and occupations of employed workers. To control for other household characteristics correlated with income and wealth when analyzing between-occupation differences, income (wealth) is regressed on occupation dummies along with control variables. The estimated coefficients are reported relative to the reference group reporting no work for pay.

Across all occupation groups, differences in income and wealth are only weakly correlated. Households in management occupations earn the highest income while those in protective, cleaning, food processing and other low skill occupations are the ones that earn the least. Workers in agriculture stand out with the second highest income. They also stand out when looking at wealth with the by far highest wealth difference of more than 3 million across all occupations. The second wealthiest households are in management occupations with almost 1 million dollar more wealth than the reference group.

Regression coefficients of income/wealth on occupation (x 10^3 2022 USD)

Occupation	Income	Wealth
Management & Professional	107.4	953.1
Sales & Admin	23.3	310.7
Services & Military	10.9	263.7
Construction & Production	15.1	138.2
Transport & Material	22.2	171.2
Agriculture	74.3	3082.7

Takeaway: Financial outcomes vary widely across employment status and occupation, with employed households earning more and out-of-labor-force households often holding the most wealth. Within each group, wealth is consistently more unequal than income, reflecting the overall societal pattern. Differences in income across occupations are only weakly reflected in wealth, while relative income disparities exceed those observed for wealth.

For more information visit the Macro Inequality Lab: At the Macro Inequality Lab, we study how markets function, how institutions shape market outcomes, and how these forces interact to create or reduce inequality. Our research asks fundamental questions on the causes and consequences of inequality (http://macro-inequality-lab.net).

References

Kuhn, Moritz, and José-Víctor Ríos-Rull (May 2025). *Income and Wealth Inequality in the United States: An Update Including the 2022 Wave.*