Self-Employed Workforce Falling From Largest In 13 Years - Employment Trends
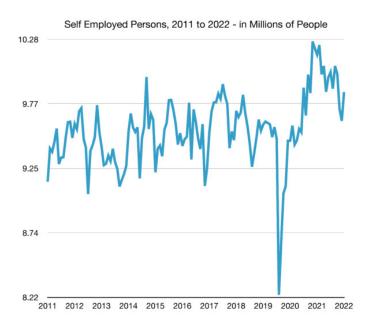
During the Great Resignation in 2021, when increasingly high amounts of employees quit their jobs, the trend was confidence in the ability to work remotely and be self-employed. This confidence led to historically high growth of the self-employed workforce and an incredible amount of people quitting their jobs.

Late 2021 was the first time the self-employed workforce expanded to over 10 million people for several months since 2008. Quits per month also reached a historically high level during the Great Resignation, jumping from 2,000,000 people in April 2020 to over 4,500,000 people quitting their jobs each month in November 2021. Over 47.8 million people quit their jobs in 2021 alone, an astonishing amount. In addition, the pandemic ushered in an era of remote work.

Now an increasingly popular form of work, remote work disrupted the standard 5-day work week. However, the recent decline in confidence in the economy and historical inflation are creating barriers for the self-employed workforce. Self-employment has fallen from its highs, as many have lost faith in the economy due to recessionary pressures. In August of this year, the self-employed workforce fell to an 18-month low, down nearly 6.2% from its 2021 highs.

Sources: Bloomberg, U.S. Bureau of Labor Statistics, Federal Reserve Bank of St. Louis

Self Employed Persons, 2011 to 2022 - in Millions of People