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Statement of

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Total nonfarm payroll employment rose by 266,000 in April, and the unemployment rate was little changed at 6.1 percent. Notable job gains in leisure and hospitality, other services, and local government education were partially offset by losses in temporary help services and in couriers and messengers.

Substantial job losses related to the coronavirus (COVID-19) pandemic first occurred in March (-1.7 million) and April (-20.7 million) of 2020. As economic activity resumed, employment increased by 12.6 million from May through November but declined again in December (-306,000) following a surge in the number of coronavirus cases. Job growth restarted in January of this year, and nonfarm payroll employment has increased by 1.8 million over the past 4 months. However, payroll employment is down by 8.2 million, or 5.4 percent, from the pre-pandemic employment peak in February 2020.

Leisure and hospitality gained 331,000 jobs in April, as pandemic-related restrictions continued to ease in many parts of the country. This followed job gains of 619,000 in February and March combined. Within the industry, job growth in food services and drinking places (+187,000) accounted for more than half of the April increase. Employment also rose in amusements, gambling, and recreation (+73,000) and in accommodation (+54,000). While leisure and hospitality has added 5.4 million jobs over the year, employment in the industry is down by 2.8 million, or 16.8 percent, since February 2020.

In April, employment in the other services industry increased by 44,000 but is down by 352,000 since February 2020. Over the month, job gains occurred in repair and maintenance (+14,000) and in personal and laundry services (+14,000).

Local government education added 31,000 jobs in April, following a gain of 28,000 in the prior month. Employment in local government education has fluctuated in recent months but is down by 611,000 since February 2020.

In April, social assistance employment rose by 23,000, with about half of the gain in child day care services (+12,000). Employment in social assistance is 286,000 lower than in February 2020.

Financial activities added 19,000 jobs in April, with most of the gain in real estate and rental and leasing (+17,000).

Employment in financial activities is down by 63,000 since February 2020.

Within professional and business services, employment decreased by 111,000 in temporary help services in April, following little change in the previous month. Employment in temporary help services is 296,000 lower than in February 2020. Elsewhere in professional and business services, job losses occurred in business support services in April (-15,000), while architectural and engineering services (+12,000) and scientific research and development services (+7,000) added jobs.

Within transportation and warehousing, employment in couriers and messengers fell by 77,000 in April but is up by 126,000 since February 2020. Air transportation added 7,000 jobs in April. Overall, employment in transportation and warehousing is down by 142,000 since February 2020.

Manufacturing employment edged down by 18,000 in April. Within the industry, job losses in motor vehicles and parts (-27,000) and wood products (-7,000) were partially offset by job gains in miscellaneous durable goods (+13,000) and chemicals (+4,000). Since February 2020, employment in manufacturing is down by 515,000.

Employment in retail trade changed little in April (-15,000), following a gain in the prior month (+33,000). Within the industry, April job losses in food and beverage stores

(-49,000), general merchandise stores (-10,000), and gasoline stations (-9,000) were partially offset by job gains in sporting goods, hobby, book, and music stores (+20,000); clothing and clothing accessories stores (+10,000); and health and personal care stores (+9,000). Overall, employment in retail trade is 400,000 lower than in February 2020.

Health care employment changed little in April (-4,000). Ambulatory health care services added 21,000 jobs, while nursing care facilities continued to lose jobs (-19,000). Health care employment is 542,000 below the February 2020 level.

Construction employment was unchanged in April. Employment in the industry is up by 917,000 over the year but is 196,000 lower than in February 2020.

Employment in other major industries--including mining, wholesale trade, and information--showed little change over the month.

Average weekly hours for all private-sector workers increased by 0.1 hour in April to 35.0 hours. In April, the average workweek for manufacturing was unchanged at 40.5 hours.

Average hourly earnings of all employees on private nonfarm payrolls increased by 21 cents to \$30.17 in April, following a decline of 4 cents in the prior month. The data for April suggest that the rising demand for labor associated with the recovery from the pandemic may have put upward pressure on

wages. Since average hourly earnings vary widely across industries, the large employment fluctuations since February 2020 complicate the analysis of recent trends in average hourly earnings.

Turning to the labor market indicators from the household survey, both the unemployment rate and the number of unemployed people changed little in April, at 6.1 percent and 9.8 million, respectively. Both measures have fallen from their recent peaks in April 2020 but remain well above their February 2020 levels (at 3.5 percent and 5.7 million, respectively).

Among the major worker groups, the unemployment rates for adult men (6.1 percent), adult women (5.6 percent), teenagers (12.3 percent), Whites (5.3 percent), Blacks (9.7 percent), Asians (5.7 percent), and Hispanics (7.9 percent) showed little or no change in April.

Among the unemployed, the number of people on temporary layoff was little changed at 2.1 million in April. This measure is down considerably from a peak of 18.0 million in April 2020 but is 1.4 million higher than in February 2020. The number of permanent job losers, at 3.5 million, was little changed in April but is 2.2 million higher than in February 2020.

By duration of unemployment, the number of people searching for work for less than 5 weeks increased by 237,000 in April to 2.4 million. The number of people unemployed for 27 weeks or

more (often referred to as the long-term unemployed) was essentially unchanged over the month at 4.2 million but is up by 3.1 million since February 2020. In April, the long-term unemployed accounted for 43.0 percent of the unemployed.

The labor force participation rate, at 61.7 percent, was little changed over the month. This measure is 1.6 percentage points lower than in February 2020. The employment-population ratio, at 57.9 percent, also changed little in April. This measure is up by 0.5 percentage point since December 2020 but is 3.2 percentage points lower than in February 2020.

In April, the number of people working part time for economic reasons decreased by 583,000 to 5.2 million, reflecting a drop in the number of people whose hours were cut due to slack work or business conditions. The number of people working part time for economic reasons is down from a peak of 10.9 million in April 2020 but is 845,000 higher than in February 2020.

At 6.6 million, the number of people not in the labor force who currently want a job changed little in April. This measure is down from a peak of 9.9 million a year earlier but is 1.6 million higher than in February 2020. Among those not in the labor force who wanted a job, the number of people marginally attached to the labor force was essentially unchanged at 1.9 million in April. (People who are marginally attached to the labor force had not actively looked for work in the 4 weeks

prior to the survey but had looked for a job within the last 12 months.) The number of discouraged workers, a subset of the marginally attached who believed that no jobs were available for them, was little changed over the month at 565,000.

As in previous months, some workers affected by the pandemic who should have been classified as unemployed on temporary layoff in April were instead misclassified as employed but not at work. Since March 2020, BLS has published an estimate of what the unemployment rate would have been had misclassified workers been included among the unemployed. Repeating this same approach, the seasonally adjusted April unemployment rate would have been 0.3 percentage point higher than reported. Additional information about the misclassification, as well as information about response rates for both the household and establishment surveys, is available on the BLS website at www.bls.gov/covid19/employment-situation-covid19-faq-april-2021.htm.

Looking at supplemental pandemic-related measures from the household survey (these supplemental data are not seasonally adjusted), the share of employed people who teleworked in April because of the coronavirus pandemic declined to 18.3 percent. These data refer only to employed people who teleworked or worked at home for pay at some point in the last 4 weeks

specifically because of the pandemic; they do not include all instances of telework.

In April, the number of people who reported that they had been unable to work because their employer closed or lost business due to the pandemic--that is, they did not work at all or worked fewer hours at some point in the last 4 weeks due to the pandemic--fell by 2.0 million to 9.4 million. Among those who reported in April that they were unable to work because of pandemic-related closures or lost business, 9.3 percent received at least some pay from their employer for the hours not worked, little changed from the prior month.

Among those not in the labor force in April, 2.8 million people were prevented from looking for work due to the pandemic, down from 3.7 million in the prior month. (To be counted as unemployed, by definition, individuals must either be actively searching for work or on temporary layoff.)

In summary, nonfarm payroll employment rose by 266,000 in April, and the unemployment rate was little changed at 6.1 percent.