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Statement of

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Nonfarm payroll employment rose by 194,000 in September, and the unemployment rate fell by 0.4 percentage point to 4.8 percent. Notable job gains occurred in leisure and hospitality, in professional and business services, in retail trade, and in transportation and warehousing. Employment declined in public education over the month.

Thus far this year, monthly job growth has averaged 561,000. Employment has increased by 17.4 million since April 2020 but is down by 5.0 million, or 3.3 percent, from its level before the onset of the coronavirus (COVID-19) pandemic in February 2020.

Employment in leisure and hospitality rose by 74,000 in September, after changing little in August. Arts, entertainment, and recreation added 43,000 jobs in September. Employment in food services and drinking places changed little for the second consecutive month, following an average monthly gain of 197,000

from January through July. Employment in leisure and hospitality is 1.6 million, or 9.4 percent, lower than in February 2020.

In September, employment in professional and business services rose by 60,000. Within the industry, employment in the professional and technical component rose by 56,000 over the month and is 244,000 higher than in February 2020. (Professional and technical services includes industries such as architectural and engineering services, management and technical consulting services, and computer systems design and related services.) By contrast, employment in the administrative and waste services component (which includes temporary help services) changed little over the month (+2,000) but is 543,000 lower than in February 2020. Employment in the management of companies and enterprises component was also little changed over the month (+3,000) but is down by 86,000 since February 2020. Employment in professional and business services overall is down by 385,000 since February 2020.

Employment in retail trade rose by 56,000 over the month, after changing little in the prior 2 months. In September, job gains occurred in clothing and accessories stores (+27,000), general merchandise stores (+16,000), and building material and garden supply stores (+16,000), while food and beverage stores continued to lose jobs (-12,000). Since February 2020, employment in retail trade is down by 202,000.

Transportation and warehousing added 47,000 jobs in September. Employment in the industry is 72,000 above its February 2020 level. In September, employment growth continued in warehousing and storage (+16,000), couriers and messengers (+13,000), and air transportation (+10,000).

Employment in information rose by 32,000 in September, with job gains in motion picture and sound recording (+14,000); in publishing industries, except Internet (+11,000); and in data processing, hosting, and related services (+6,000). Employment in information is 108,000 lower than in February 2020.

In September, employment in social assistance increased by 30,000, with much of the gain occurring in child day care services (+18,000). Since February 2020, employment in social assistance is down by 204,000.

Manufacturing added 26,000 jobs in September, with gains in fabricated metal products (+8,000), machinery (+6,000), and printing and related support activities (+4,000). Motor vehicles and parts lost 6,000 jobs over the month. Since February 2020, employment in manufacturing is down by 353,000.

In September, construction added 22,000 jobs. Employment in the industry has changed little, on net, thus far this year and is 201,000 lower than in February 2020.

Employment in wholesale trade increased by 17,000 in September, with nearly all of the gain in the durable goods

component. Wholesale trade employment is 159,000 lower than in February 2020.

Mining employment continued to trend up in September (+5,000), reflecting growth in support activities for mining (+4,000). Mining has added 59,000 jobs since a trough in August 2020, but employment is 93,000 lower than a peak in January 2019.

In September, employment decreased by 144,000 in local government education and by 17,000 in state government education. Employment changed little in private education (-19,000). Most back-to-school hiring typically occurs in September. Hiring this September was lower than usual, resulting in a decline after seasonal adjustment. Recent employment changes are challenging to interpret, as pandemic-related staffing fluctuations in public and private education have distorted the normal seasonal hiring and layoff patterns. Since February 2020, employment is down by 310,000 in local government education, by 194,000 in state government education, and by 172,000 in private education.

In September, employment changed little in health care (-18,000). A job gain in ambulatory health care services (+28,000) was more than offset by job losses in nursing and residential care facilities (-38,000) and hospitals (-8,000). Health care employment is 524,000 lower than in February 2020,

mostly due to declines in nursing and residential care facilities.

Employment in financial activities and in other services showed little change over the month.

In September, the average workweek for all private-sector workers rose by 0.2 hour to 34.8 hours. The average workweek for manufacturing was unchanged at 40.4 hours.

Average hourly earnings of all employees on private nonfarm payrolls increased by 19 cents to \$30.85 in September, following large increases in the prior 5 months. The data for recent months suggest that rising demand for labor associated with the recovery from the pandemic may have put upward pressure on wages. However, because average hourly earnings vary widely across industries, the large employment fluctuations since February 2020 complicate the analysis of trends in average hourly earnings.

Turning to the labor market indicators from the household survey, the unemployment rate fell by 0.4 percentage point to 4.8 percent in September. The number of unemployed people fell by 710,000 to 7.7 million. These measures are down from their April 2020 peaks but remain above their February 2020 levels (3.5 percent and 5.7 million, respectively).

Among the major worker groups, the unemployment rates decreased in September for adult men (4.7 percent), adult women

(4.2 percent), Whites (4.2 percent), and Blacks (7.9 percent). The jobless rates for teenagers (11.5 percent), Asians (4.2 percent), and Hispanics (6.3 percent) showed little change over the month.

Among the unemployed, the number of permanent job losers declined by 236,000 to 2.3 million in September but is 953,000 higher than in February 2020. The number of people on temporary layoff, at 1.1 million, changed little in September. This measure is down considerably from a high of 18.0 million in April 2020 but is 374,000 higher than in February 2020. The number of reentrants to the labor force decreased by 198,000 to 2.3 million in September, after increasing by a similar amount in August.

The number of people unemployed for 27 weeks or more (often referred to as the long-term unemployed) continued to decrease, falling by 496,000 to 2.7 million in September. This measure is up by 1.6 million since February 2020. In September, the long-term unemployed accounted for 34.5 percent of the total unemployed. The number of people unemployed for less than 5 weeks, at 2.2 million, was little changed.

The labor force participation rate, at 61.6 percent, changed little in September and has remained within a narrow range of 61.4 percent to 61.7 percent since June 2020. This measure is 1.7 percentage points lower than in February 2020.

The employment-population ratio edged up to 58.7 percent in September but is 2.4 percentage points lower than in February 2020.

In September, 4.5 million people were working part time for economic reasons, essentially unchanged for the second month in a row. The number of people working part time for economic reasons is down from a peak of 10.9 million in April 2020. There were 4.4 million people affected by this type of underemployment in February 2020.

The number of people not in the labor force who currently want a job was little changed at 6.0 million in September. This measure is down from a peak of 9.9 million in April 2020 but remains higher than the February 2020 level (5.0 million). Among those not in the labor force who wanted a job, the number of people marginally attached to the labor force edged up by 167,000 to 1.7 million in September, following a decline in the prior month. (People who are marginally attached to the labor force had not actively looked for work in the 4 weeks prior to the survey but wanted a job, were available for work, and 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 in September at 450,000.

As in previous months, some workers affected by the pandemic who should have been classified as unemployed on temporary layoff in September 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 September unemployment rate would have been 0.1 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-september-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 September because of the coronavirus pandemic was 13.2 percent, little changed from August. These data refer only to employed people who teleworked or worked from 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 September, 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--decreased by 615,000 to 5.0 million. Among those who reported in September that they were unable to work because of pandemic-related closures or lost business, 15.5 percent received at least some pay from their employer for the hours not worked, little changed over the month.

Among those not in the labor force in September, 1.6 million people were prevented from looking for work due to the pandemic, little changed from August. (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 194,000 in September, and the unemployment rate declined to 4.8 percent.