Nonfarm payroll employment rose by 850,000 in June, and the unemployment rate changed little at 5.9 percent. Notable job gains occurred in leisure and hospitality, public and private education, professional and business services, retail trade, and other services.

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 3.3 million over the past 6 months as the number of vaccinations has increased, the number of coronavirus cases has fallen, and pandemic-related restrictions have been relaxed. Overall, nonfarm payroll employment is up by 15.6 million since April
2020. However, employment is down by 6.8 million, or 4.4 percent, from the pre-pandemic employment peak in February 2020.

Leisure and hospitality added 343,000 jobs in June as pandemic-related restrictions continued to ease in some parts of the country. Job gains continued in food services and drinking places (+194,000); accommodation (+75,000); and arts, entertainment, and recreation (+74,000). Leisure and hospitality has added 1.6 million jobs since January and accounts for about half of all the jobs added thus far this year. However, employment in the industry is down by 2.2 million, or 12.9 percent, since February 2020.

In June, employment increased in local government education (+155,000), state government education (+75,000), and private education (+39,000). In both public and private education, staffing fluctuations due to the pandemic, in part reflecting the return to in-person learning and other school-related activities, have distorted the normal seasonal buildup and layoff patterns, likely contributing to the job gains in June. (Without the typical seasonal employment increases earlier, there were fewer layoffs at the end of the school year, resulting in job gains after seasonal adjustment.) These variations make it more challenging to discern the current employment trends in these industries. Since February 2020, employment is down by 414,000 in local government education, by
168,000 in state government education, and by 255,000 in private education.

Professional and business services added 72,000 jobs in June, including 33,000 jobs in temporary help services. Employment is down by 633,000 in professional and business services since February 2020.

Employment in retail trade rose by 67,000 in June. Notable job gains in clothing and clothing accessories stores (+28,000) and general merchandise stores (+25,000) more than offset job losses in food and beverage stores (-13,000) and health and personal care stores (-7,000). Employment in retail trade is down by 303,000, or 1.9 percent, since February 2020.

In June, the other services industry added 56,000 jobs, with gains in personal and laundry services (+29,000), in membership associations and organizations (+18,000), and in repair and maintenance (+9,000). Since February 2020, employment is down by 297,000 in other services.

Social assistance employment increased by 32,000 in June, largely in child day care services (+25,000). Employment in social assistance is 236,000 lower than in February 2020.

In June, wholesale trade added 21,000 jobs, with gains in both durable goods (+14,000) and nondurable goods (+9,000). Since February 2020, employment in wholesale trade is down by 192,000.
In June, employment in mining rose by 10,000, reflecting job growth in support activities for mining (+10,000). Mining employment is down by 110,000 since a peak in January 2019.

Employment in manufacturing changed little in June (+15,000) and has shown little net movement since March. Employment in manufacturing is 481,000 below the February 2020 level.

Employment in transportation and warehousing also was little changed in June (+11,000). Employment in couriers and messengers fell by 24,000 over the month but is up by 117,000 since February 2020. Warehousing and storage (+14,000), air transportation (+8,000), and truck transportation (+6,000) added jobs over the month. Overall, employment in transportation and warehousing is 94,000 lower than in February 2020.

Construction employment was about unchanged in June (-7,000) and has shown little net change thus far this year. In June, nonresidential specialty trade contractors (-15,000) and heavy and civil engineering construction (-11,000) lost jobs, while residential specialty trade contractors (+13,000) gained jobs. Employment in construction is down by 238,000 since February 2020.

Employment in other major industries--including information, financial activities, and health care--showed little change over the month.
In June, the average workweek for all private-sector workers declined by 0.1 hour to 34.7 hours. The average workweek for manufacturing decreased by 0.2 hour to 40.2 hours.

Average hourly earnings of all employees on private nonfarm payrolls increased by 10 cents to $30.40 in June, following increases of 13 cents in May and 20 cents in April. The data for recent months suggest that the 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, both the unemployment rate, at 5.9 percent, and the number of unemployed people, at 9.5 million, changed little in June. These measures have fallen from their April 2020 peaks but remain well above their February 2020 levels (3.5 percent and 5.7 million, respectively).

In June, the unemployment rates for adult men (5.9 percent), adult women (5.5 percent), teenagers (9.9 percent), Whites (5.2 percent), Blacks (9.2 percent), Asians (5.8 percent), and Hispanics (7.4 percent) showed little or no change.
Among the unemployed, the number of job leavers increased by 164,000 in June to 942,000. The number of people on temporary layoff, at 1.8 million, was essentially unchanged over the month. This measure is down considerably from a high of 18.0 million in April 2020 but is 1.1 million higher than in February 2020. The number of permanent job losers, at 3.2 million, was essentially unchanged in June but is 1.9 million higher than in February 2020.

The number of people unemployed for 27 weeks or more (often referred to as the long-term unemployed) increased by 233,000 in June to 4.0 million. This measure is up by 2.9 million since February 2020. In June, the long-term unemployed accounted for 42.1 percent of the unemployed. The number of people unemployed for less than 5 weeks was little changed over the month at 2.0 million.

Both the labor force participation rate, at 61.6 percent, and the employment-population ratio, at 58.0 percent, were unchanged in June. The participation rate has remained within a narrow range of 61.4 percent to 61.7 percent since June 2020. The participation rate and the employment-population ratio are 1.7 percentage points and 3.1 percentage points lower, respectively, than they were in February 2020.

In June, the number of people who were working part time for economic reasons decreased by 644,000 to 4.6 million,
reflecting a decline 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. 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, at 6.4 million, changed little in June. This measure is down from a peak of 9.9 million in April 2020 but is 1.4 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 little changed at 1.8 million in June. (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 essentially unchanged over the month at 617,000.

As in previous months, some workers affected by the pandemic who should have been classified as unemployed on temporary layoff in June 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 June unemployment rate would have been 0.2 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-june-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 June because of the coronavirus pandemic declined by 2.2 percentage points to 14.4 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 June, 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 1.7 million to 6.2 million. Among those who reported in June that they were unable to work because of pandemic-related closures or lost business, 10.0 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 June, 1.6 million people were prevented from looking for work due to the pandemic, down from 2.5 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 850,000 in June, and the unemployment rate changed little at 5.9 percent.