Nonfarm payroll employment increased by 390,000 in May, and the unemployment rate remained at 3.6 percent. Notable job gains occurred in leisure and hospitality, in professional and business services, and in transportation and warehousing. Employment in retail trade declined.

Nonfarm employment is down by 822,000, or 0.5 percent, from its February 2020 level before the onset of the coronavirus (COVID-19) pandemic.

In May, employment growth continued in leisure and hospitality (+84,000), with gains in food services and drinking places (+46,000) and accommodation (+21,000). Employment in leisure and hospitality is down by 1.3 million, or 7.9 percent, from its February 2020 level.

Employment in professional and business services increased by 75,000 in May and is 821,000 above its February 2020 level. Job gains in May occurred in accounting and bookkeeping services
(+16,000), computer systems design and related services (+13,000), and scientific research and development services (+6,000).

Transportation and warehousing added 47,000 jobs in May, with gains in warehousing and storage (+18,000), truck transportation (+13,000), and air transportation (+6,000). Employment in transportation and warehousing is 709,000 above its February 2020 level.

Employment in construction increased by 36,000 in May, with growth in specialty trade contractors (+17,000) and heavy and civil engineering construction (+11,000). Construction employment is 40,000 higher than in February 2020.

In May, employment increased by 36,000 in state government education and by 33,000 in private education. Employment in local government education was little changed (+14,000). Compared with February 2020, employment in state government education is up by 27,000, while employment in private education has essentially recovered. Employment in local government education is 308,000 lower than its February 2020 level.

Health care employment rose by 28,000 in May, with most of the job growth in hospitals (+16,000). Employment in health care is 223,000 below its February 2020 level.
Manufacturing employment continued to trend up in May (+18,000). However, employment in the industry is slightly below (-17,000) its February 2020 level.

Employment in wholesale trade rose by 14,000 in May but is 41,000 lower than in February 2020.

Mining employment increased by 6,000 in May. Since a recent low in February 2021, mining employment has grown by 80,000.

Retail trade employment declined by 61,000 in May, with job losses in general merchandise stores (-33,000), clothing and clothing accessories stores (-9,000), food and beverage stores (-8,000), building material and garden supply stores (-7,000), and health and personal care stores (-5,000). Despite the decrease in May, employment in retail trade is 159,000 higher than in February 2020.

Employment showed little change over the month in other major industries, including information, financial activities, and other services.

The average workweek for all private sector workers remained unchanged at 34.6 hours in May. The average workweek for manufacturing was little changed at 40.4 hours.

Average hourly earnings of all employees on private nonfarm payrolls increased by 10 cents, or 0.3 percent, to $31.95 in May. Over the past 12 months, average hourly earnings have increased by 5.2 percent.
Turning to the labor market indicators from the household survey, the unemployment rate was 3.6 percent in May for the third month in a row, and the number of unemployed people was essentially unchanged at 6.0 million. Both measures are little different than their February 2020 levels (3.5 percent and 5.7 million, respectively).

In May, the unemployment rate for Asians decreased to 2.4 percent. The jobless rates for adult men (3.4 percent), adult women (3.4 percent), teenagers (10.4 percent), Whites (3.2 percent), Blacks (6.2 percent), and Hispanics (4.3 percent) showed little or no change.

Among the unemployed, the number of permanent job losers was unchanged at 1.4 million in May. This measure is little different from its February 2020 level. The number of people on temporary layoff (810,000) changed little in May and is also little different from its February 2020 level.

In May, the number of people unemployed for 27 weeks or more (often referred to as the long-term unemployed) edged down to 1.4 million. This measure is 235,000 above its February 2020 level. The long-term unemployed accounted for 23.2 percent of all unemployed people in May.

The labor force participation rate, at 62.3 percent, and the employment-population ratio, at 60.1 percent, changed little
in May. Both measures are 1.1 percentage points below their February 2020 levels.

In May, the number of people working part time for economic reasons rose by 295,000 to 4.3 million, reflecting an increase 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 little different from its February 2020 level.

The number of people not in the labor force who currently want a job was little changed at 5.7 million in May. This measure remains above its February 2020 level of 5.0 million.

Among those who were not in the labor force but wanted a job, the number of people marginally attached to the labor force, at 1.5 million, changed little in May. (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, also changed little at 415,000 in May.

Looking at the supplemental pandemic-related measures from the household survey (these supplemental data are not seasonally adjusted), the share of employed people who teleworked because of the pandemic decreased to 7.4 percent in May. 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 May, the number of people who reported that they had been unable to work because their employer closed or lost business due to the pandemic was 1.8 million, little changed from the prior month. (These individuals did not work at all or worked fewer hours at some point in the last 4 weeks due to the pandemic.) Among those who reported in May that they were unable to work because of pandemic-related closures or lost business, 19.9 percent received at least some pay from their employer for the hours not worked, also little changed from April.

Among those not in the labor force in May, 455,000 people were prevented from looking for work due to the pandemic, down from April. (To be counted as unemployed, by definition, individuals must either be actively searching for work or on temporary layoff.)

In summary, nonfarm payroll employment increased by 390,000 in May, and the unemployment rate held at 3.6 percent.