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Statement of

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Nonfarm payroll employment increased by 315,000 in August, and the unemployment rate rose to 3.7 percent. Notable job gains occurred in professional and business services, health care, and retail trade.

Total nonfarm employment increased by 5.8 million over the year, as the labor market continued to recover from the job losses of the pandemic-induced recession. This growth brings total nonfarm employment 240,000 above its February 2020 level before the onset of the coronavirus (COVID-19) pandemic.

In August, employment growth continued in professional and business services (+68,000). Job gains occurred in computer systems design and related services (+14,000), management and technical consulting services (+13,000), architectural and engineering services (+10,000), and scientific research and development services (+6,000). In August, legal services lost

jobs (-9,000). Over the past 12 months, professional and business services has added 1.1 million jobs.

Health care added 48,000 jobs in August, with gains in offices of physicians (+15,000), hospitals (+15,000), and nursing and residential care facilities (+12,000). Health care has added 412,000 jobs over the year. Despite this growth, employment in health care is below its February 2020 level by 37,000, or 0.2 percent.

Employment in retail trade rose by 44,000 in August and by 422,000 over the past 12 months. Over the month, job growth occurred in general merchandise stores (+15,000), food and beverage stores (+15,000), health and personal care stores (+10,000), and building material and garden supply stores (+7,000). Employment in furniture and home furnishings stores continued to trend down (-3,000).

Employment in manufacturing continued to trend up in August (+22,000), with job gains concentrated in durable goods (+19,000). Manufacturing has added 461,000 jobs over the year.

Financial activities added 17,000 jobs in August and 200,000 over the year.

Employment in wholesale trade rose by 15,000 in August and has returned to its February 2020 level. This industry added 197,000 jobs over the year.

In August, mining employment increased by 6,000, with growth concentrated in support activities for mining (+7,000). Over the year, mining has added 68,000 jobs.

Employment in leisure and hospitality changed little in August (+31,000), following gains that averaged 90,000 per month over the first 7 months of the year. Employment in leisure and hospitality is below its February 2020 level by 1.2 million, or 7.2 percent.

Employment showed little change over the month in other major industries, including construction, transportation and warehousing, information, other services, and government.

The average workweek for all private-sector workers fell by 0.1 hour to 34.5 hours in August. The average workweek for manufacturing was little changed at 40.3 hours.

Average hourly earnings of all employees on private nonfarm payrolls increased by 10 cents, or 0.3 percent, to \$32.36 in August. 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 rose by 0.2 percentage point to 3.7 percent in August. The number of unemployed people increased by 344,000 over the month to 6.0 million. In July, these measures had returned to their levels in February 2020, prior to the pandemic.

In August, the unemployment rates for adult men (3.5 percent) and Hispanics (4.5 percent) increased. The jobless rates for adult women (3.3 percent), teenagers (10.4 percent), Whites (3.2 percent), Blacks (6.4 percent), and Asians (2.8 percent) showed little change.

Among the unemployed, the number of permanent job losers increased by 188,000 to 1.4 million in August. The number of people on temporary layoff, at 782,000, was essentially unchanged over the month.

By duration of unemployment, the number of people unemployed for 27 weeks or more was little changed at 1.1 million in August. These long-term unemployed accounted for 18.8 percent of all unemployed people in August.

The labor force participation rate, at 62.4 percent, increased by 0.3 percentage point in August, and the employment-population ratio, at 60.1 percent, changed little. Both measures are below their February 2020 levels, by 1.0 percentage point and 1.1 percentage points, respectively.

In August, the number of people working part time for economic reasons was little changed at 4.1 million.

The number of people not in the labor force who currently want a job decreased by 361,000 to 5.5 million in August. 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 1.4 million, was little changed in August. (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, at 366,000, was also little changed in August.

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 was 6.5 percent in August, down from 7.1 percent the month before. 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 August, the number of people who reported that they had been unable to work because their employer closed or lost business due to the pandemic fell by 268,000 to 1.9 million. (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 August that they were unable to work because of

pandemic-related closures or lost business, 21.5 percent received at least some pay from their employer for the hours not worked, little changed from July.

Among those not in the labor force in August, 523,000 people were prevented from looking for work due to the pandemic, little changed from July. (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 315,000 in August, and the unemployment rate rose to 3.7 percent.