

May 7, 2021

Job growth stumbles

- The U.S. jobs report for April reflects a labor market that is still struggling to recover from the COVID-19 pandemic.
- The unemployment rate ticked up to 6.1% and employers added just 266,000 workers to their payrolls in April, well below expectations. The previous two months' strong job creation numbers were revised downward by a net 78,000 jobs.
- While the leisure and hospitality sector continued to add back workers (+331,000) as more restrictions are eased, several sectors saw job losses, as many employers struggle to find available workers. Numerous factors—including ongoing unemployment benefits, childcare issues, COVID-related retirements and health concerns, and supply chain issues—are constraining hiring. Employment in transportation and warehousing was down by 74,000 and manufacturing jobs fell by 18,000 during the month. The temporary help sector shed 111,400 jobs in April.
- Average hourly earnings jumped by more than 20 cents month-over-month in April, suggesting that employers may be beginning to offer higher wages to lure workers back into the labor force.

NOTABLE SECTORS

| | |
|------------------------------|--------------|
| Leisure & Hospitality | +331K |
| Temporary Help Services | -111K |
| Transportation & Warehousing | -74K |
| Manufacturing | -18K |

U.S. EMPLOYMENT ROSE BY

266,000

IN APRIL

AVERAGE HOURLY EARNINGS

\$30.17

0.3% ABOVE LAST YEAR

UNEMPLOYMENT RATE ROSE TO

6.1%

14.8% LAST APRIL

US Monthly Job Change and Unemployment Rate

