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Statement of

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Nonfarm payroll employment rose by 379,000 in February, and the unemployment rate was little changed at 6.2 percent. The labor market continued to reflect the impact of the coronavirus (COVID-19) pandemic. Employment rose sharply in leisure and hospitality. Notable job gains also occurred in temporary help services, health care and social assistance, retail trade, and manufacturing. State and local government education, construction, and mining lost jobs over the month.

Substantial job losses related to the coronavirus 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. Nonfarm payroll employment has increased by 545,000 over the past 2 months but is down by 9.5 million, or 6.2 percent, from a year ago.

Leisure and hospitality gained 355,000 jobs in February, as pandemic-related restrictions eased in some parts of the country. This followed job losses of 523,000 in December and January combined. Within the industry, job growth in food services and drinking places (+286,000) accounted for about four-fifths of the February increase. Employment also rose in accommodation (+36,000) and in amusements, gambling, and recreation (+33,000). Employment in leisure and hospitality is down by 3.5 million, or 20.4 percent, from a year ago.

Within professional and business services, employment increased by 53,000 in temporary help services in February but is 175,000 lower than a year ago.

In February, employment in health care and social assistance rose by 46,000. Social assistance added 26,000 jobs over the month, with most of the gain in individual and family services (+18,000). Employment in social assistance is 331,000 lower than a year ago. Health care employment changed little in February (+20,000), following a large decline in the prior month (-85,000). In February, ambulatory health care services added 29,000 jobs, while nursing care facilities continued to lose jobs (-12,000). Health care employment is 578,000 lower than a year earlier.

Retail trade employment rose by 41,000 in February. Job gains in the industry were widespread, with the largest gains occurring in general merchandise stores (+14,000), health and personal care stores (+12,000), and food and beverage stores (+10,000). These gains were partially offset by an employment decline in clothing and accessories stores (-20,000). Following steep job losses in March and April of 2020 (-2.4 million jobs over the 2 months combined), retail trade has added 2.0 million jobs from May through February.

Employment in manufacturing rose by 21,000 over the month, with about half of the job gain occurring in transportation equipment (+10,000). Manufacturing employment is down by 561,000 over the year.

In February, employment declined in both local government education (-37,000) and state government education (-32,000). These declines partially offset increases in January. Private education employment was little changed over the month (-2,000). Pandemic-related employment declines in 2020 distorted the normal seasonal buildup and layoff patterns in the education sector, making it more challenging to discern the current employment trends in these industries. However, employment is down over the year in local government education (-674,000), state government education (-327,000), and private education (-390,000).

Construction employment decreased by 61,000 in February, with job losses in nonresidential specialty trade contractors (-37,000) and in heavy and civil engineering construction (-21,000). Severe winter weather across much of the country may have held down employment and hours in the construction industry. Employment in construction is down by 308,000 over the year.

In February, mining shed 8,000 jobs, with losses occurring in support activities for mining (-6,000) and in oil and gas extraction (-2,000). Mining employment is down by 153,000 since an employment peak in January 2019, though nearly two-thirds of the decline has occurred over the past 12 months.

Employment in other major industries--including wholesale trade, transportation and warehousing, information, financial activities, and other services--showed little change over the month.

Average weekly hours for all private-sector workers decreased by 0.3 hour in February to 34.6 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 7 cents to \$30.01 in February. One should continue to use caution when interpreting changes in average hourly earnings during the pandemic, as large shifts in the

industry composition of employment can complicate monthly comparisons.

Turning to the labor market indicators from the household survey, both the unemployment rate and the number of unemployed people changed little in February, at 6.2 percent and 10.0 million, respectively. Both measures have fallen from their recent peaks in April 2020 but remain well above their February 2020 levels (at 3.5 percent and 5.7 million, respectively).

Among the major worker groups, the unemployment rate decreased in February for Asians (5.1 percent). The jobless rates for adult men (6.0 percent), adult women (5.9 percent), teenagers (13.9 percent), Whites (5.6 percent), Blacks (9.9 percent), and Hispanics (8.5 percent) showed little or no change.

Among the unemployed, the number of people on temporary layoff decreased to 2.2 million in February. This measure is down considerably from the high of 18.0 million in April but is 1.5 million higher than a year ago. At 3.5 million, the number of permanent job losers was essentially unchanged in February but is up by 2.2 million over the year.

By duration of unemployment, the number of people searching for work for less than 5 weeks was little changed in February at 2.2 million. The number of people unemployed for 27 weeks or more (often referred to as the long-term unemployed), at 4.1

million, was little changed over the month but is up by 3.0 million over the year. In February, the long-term unemployed accounted for 41.5 percent of the unemployed.

The labor force participation rate, at 61.4 percent, was unchanged over the month but is down by 1.9 percentage points over the year. The employment-population ratio, at 57.6 percent, changed little in February but is down by 3.5 percentage points over the year.

In February, 6.1 million people were working part time for economic reasons, little changed from the previous month. The number of people affected by this type of underemployment is 1.7 million higher than a year ago.

At 6.9 million, the number of people not in the labor force who currently want a job changed little in February. Among those who were not in the labor force but wanted a job, the number of people marginally attached to the labor force was little changed at 1.9 million. (People who are marginally attached to the labor force had not actively looked for work in the 4 weeks prior to the survey but 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 over the month at 522,000.

As in previous months, some workers affected by the pandemic who should have been classified as unemployed on

temporary layoff in February 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 February unemployment rate would have been 0.5 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-february-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 February because of the coronavirus pandemic declined to 22.7 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 February, 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 to 13.3 million. Among those who

reported in February that they were unable to work because of pandemic-related closures or lost business, 10.5 percent received at least some pay from their employer for the hours not worked, down from 12.7 percent in January.

Among those not in the labor force in February, 4.2 million people were prevented from looking for work due to the pandemic, down from 4.7 million in January. (To be counted as unemployed, by definition, individuals must either be actively searching for work or on temporary layoff.)

As noted earlier, severe winter weather occurred in much of the country in February, likely impacting some industries. Data from the survey of households showed that the number of employed people who missed work due to bad weather for all or part of the calendar week including the 12th was elevated compared to a typical February. Information on how weather can affect data on employment and hours can be found in Question 8 in the Frequently Asked Questions section of our news release and on our website at www.bls.gov/news.release/empsit.faq.htm.

In summary, total nonfarm payroll employment increased by 379,000 in February, and the unemployment rate was little changed at 6.2 percent.