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Statement of

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Nonfarm payroll employment rose by 531,000 in October, and the unemployment rate edged down by 0.2 percentage point to 4.6 percent. Job growth was widespread, with notable job gains in leisure and hospitality, in professional and business services, in manufacturing, and in transportation and warehousing. Employment declined in public education over the month.

Incorporating revisions for August and September, which increased nonfarm payroll employment by 235,000, job growth has averaged 582,000 per month thus far in 2021. Since April 2020, employment has increased by 18.2 million but is down by 4.2 million, or 2.8 percent, from its level before the onset of the coronavirus (COVID-19) pandemic in February 2020.

Employment in leisure and hospitality rose by 164,000 in October, with gains in food services and drinking places (+119,000) and accommodation (+23,000). Employment in leisure

and hospitality is down by 1.4 million, or 8.2 percent, from February 2020.

Employment in professional and business services rose by 100,000 in October. Employment in the professional and technical services component rose by 45,000 over the month and is 298,000 higher than in February 2020. Within professional and technical services, management and technical consulting services (+14,000), other professional and technical services (+9,000), scientific research and development services (+6,000), and legal services (+5,000) added jobs in October. Employment in the administrative and waste services component rose by 49,000 over the month, with most of the gain in temporary help services (+41,000). Employment in administrative and waste services is 434,000 lower than in February 2020.

Manufacturing added 60,000 jobs in October, with gains in motor vehicles and parts (+28,000), fabricated metal products (+6,000), chemicals (+6,000), and printing and related support activities (+4,000). Since February 2020, employment in manufacturing is down by 270,000.

Employment in transportation and warehousing increased by 54,000 in October and is 149,000 above its February 2020 level. In October, job growth occurred in warehousing and storage (+20,000), transit and ground passenger transportation (+16,000), air transportation (+9,000), and truck transportation

(+8,000). Employment in couriers and messengers fell by 5,000 over the month but is 172,000 above its February 2020 level.

In October, construction added 44,000 jobs, with gains in nonresidential specialty trade contractors (+19,000) and in heavy and civil engineering construction (+12,000). Employment in construction is 150,000 lower than in February 2020.

Employment in health care increased by 37,000 in October but is 460,000 lower than in February 2020. In October, home health care services added 16,000 jobs. Employment in nursing care facilities increased by 12,000 over the month but is down by 225,000, or 14.2 percent, since February 2020.

Employment in retail trade rose by 35,000 in October but is down by 140,000 since February 2020. In October, job gains occurred in food and beverage stores (+16,000), general merchandise stores (+15,000), health and personal care stores (+8,000), and electronics and appliance stores (+6,000). Building material and garden supply stores lost jobs (-10,000).

Employment in the other services industry increased by 33,000 in October, with most of the gain in personal and laundry services (+28,000). Since February 2020, employment in other services is down by 169,000.

Employment in financial activities rose by 21,000 in October and has returned to its February 2020 level. Over the month, job gains occurred in real estate and rental and leasing

(+12,000) and in securities, commodity contracts, and investments (+11,000). Commercial banking employment declined by 4,000 in October.

Employment in wholesale trade increased by 14,000 in October, with all of the gain in the durable goods component. Wholesale trade employment is 158,000 lower than in February 2020.

Mining employment continued to trend up in October (+5,000). Employment in the industry is down by 87,000 from a peak in January 2019.

In October, employment decreased by 43,000 in local government education and by 22,000 in state government education. Employment changed little in private education (+17,000). Recent employment changes in public and private education are challenging to interpret, as pandemic-related staffing fluctuations have distorted the normal seasonal hiring and layoff patterns. Since February 2020, employment is down by 370,000 in local government education, by 205,000 in state government education, and by 148,000 in private education.

Employment in information changed little in October (+10,000) and is 122,000 lower than in February 2020.

In October, the average workweek for all private-sector workers fell by 0.1 hour to 34.7 hours. The average workweek for manufacturing edged down by 0.1 hour to 40.3 hours.

Average hourly earnings of all employees on private nonfarm payrolls increased by 11 cents to \$30.96 in October, following large increases in the prior 6 months. Over the past 12 months, average hourly earnings have increased by 4.9 percent.

Turning to the labor market indicators from the household survey, the unemployment rate edged down by 0.2 percentage point to 4.6 percent in October. The number of unemployed people, at 7.4 million, continued to trend down. These measures are down from their April 2020 peaks but remain above their February 2020 levels (3.5 percent and 5.7 million, respectively).

Among the major worker groups, the unemployment rate for adult men (4.3 percent) decreased in October. The jobless rates for adult women (4.4 percent), teenagers (11.9 percent), Whites (4.0 percent), Blacks (7.9 percent), Asians (4.2 percent), and Hispanics (5.9 percent) showed little or no change over the month.

Among the unemployed, the number of permanent job losers, at 2.1 million, changed little in October but is 828,000 higher than in February 2020. The number of people on temporary layoff was little changed at 1.1 million in October. This measure is down considerably from a high of 18.0 million in April 2020 but is 306,000 higher than in February 2020.

The number of people unemployed for 27 weeks or more (often referred to as the long-term unemployed) continued to decrease

in October, falling by 357,000 to 2.3 million. This measure is about double its February 2020 level. In October, the long-term unemployed accounted for 31.6 percent of the total unemployed. The number of people unemployed for less than 5 weeks, at 2.1 million, was little changed over the month.

The labor force participation rate, at 61.6 percent, was unchanged in October and has remained within a narrow range of 61.4 percent to 61.7 percent since June 2020. This measure is 1.7 percentage points lower than in February 2020. The employment-population ratio, at 58.8 percent, changed little in October and is 2.3 percentage points lower than in February 2020.

In October, 4.4 million people were working part time for economic reasons, little changed from the prior month. The number of people working part time for economic reasons is down from a peak of 10.9 million in April 2020 and has essentially returned to its February 2020 level.

The number of people not in the labor force who currently want a job was essentially unchanged at 6.0 million in October. This measure is down from a peak of 9.9 million in April 2020 but remains higher than the level of 5.0 million 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 in October at 1.7 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 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 in October at 455,000.

As in previous months, some workers affected by the pandemic who should have been classified as unemployed on temporary layoff in October 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 October unemployment rate would have been 0.1 percentage point higher than reported. Additional information--including more detail about the misclassification, response rates for both the household and establishment surveys, and the establishment survey's return to the pre-pandemic birth-death methodology--is available on the BLS website at www.bls.gov/covid19/employment-situation-covid19-faq-october-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 October because of the coronavirus pandemic was 11.6 percent,

down from 13.2 percent in September. These data refer only to employed people who teleworked or worked from 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 October, 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 by 1.2 million to 3.8 million. Among those who reported in October that they were unable to work because of pandemic-related closures or lost business, 13.3 percent received at least some pay from their employer for the hours not worked, little changed over the month.

Among those not in the labor force in October, 1.3 million people were prevented from looking for work due to the pandemic, down by 338,000 from September. (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 531,000 in October, and the unemployment rate edged down to 4.6 percent.