



U6 Fix

Healthy Footing Heading into the Cold

GORDON GRAY | NOVEMBER 6, 2020

The October jobs print of 638,000 net payroll jobs is a healthy gain underpinned by other signs of strength in the report. The virus and the related policy response or absence thereof will continue to be key determinants of the path of the labor market, but today's report reflects a labor market that continues to show signs of sustainable recovery despite those headwinds.

Payrolls in October gained 638,000 jobs, with private sector payrolls gaining 906,000 jobs and the service sector picking up 783,000 jobs. The leisure and hospitality industry gained 271,000 jobs. Goods-producing industries saw an increase of 123,000 with construction picking up the 84,000 new jobs. Government payrolls declined by 268,000, driven in part by a 138,000 decline in federal workers due to the conclusion of census-related work. State and local governments lost a net 130,000 workers, driven by gross losses in educators of just under 160,000. Since May, the economy has recovered 54 percent of the 22.1 million jobs lost in March and April.