



U6 Fix

No Tricks, There's Treats

GORDON GRAY | NOVEMBER 5, 2021

Private-sector payrolls rebounded from a more modest gain in September, showing broad-based gains across goods and service-producing industries. State and local education hiring remained sluggish, but that effect appears to be diminishing through the fall. Labor force participation is still stubbornly below pre-pandemic levels, but employers nevertheless added over half a million workers to their job rolls.

Employment growth rebounded in October, with employers adding 531,000 jobs to payrolls last month. Private-sector payroll gains again outpaced headline employment growth, with U.S. businesses adding 604,000 workers to new jobs. Gains were broadly based – the private industry diffusion index reached 71.8 – with goods-producing industries adding 108,000 jobs and service-sector industries adding 496,000 jobs. Manufacturing lead the gains among goods-producing industries, with 60,000 new jobs followed by construction, which added 44,000 jobs. Among service-industries, leisure and hospitality saw the most employment growth with 164,000 new workers added to farm payrolls, followed by 100,000 new workers in professional and business services. Government payrolls fell largely due to slow hiring of state and local teachers, particularly relative to seasonal patterns. The labor market has now recovered 81 percent of the more than 22 million jobs lost in March and April of 2020.