




## Data Insights: Jobs

Friday, November 6, 2020

### Today's jobs data: what you need to know

<b>Non-farm payrolls</b>	Change Oct: +638	Revision Sep: +11	Revision Aug: +4	
<b>Private payrolls</b>	Change Oct: +906	Revision Sep: +15	Revision Aug: +6	
<b>Employment</b>	Change Oct: +2243			
<b>Unemployment</b>	Change Oct: -1519			
<b>Long-term unemployment</b>	Change Oct: +1291			
<b>Civilian labor force</b>	Change Oct: +724	2.41 million below trend	More than all entrants employed	
<b>Unemployment rate</b>	Oct: 6.88%	Change Oct: -0.98%		
<b>Underemployment rate</b>	Oct: 12.1%	Change Oct: -0.7%		
<b>Participation rate</b>	Oct: 61.7%	Change Oct: +0.3%		
<b>UE adjusted for participation</b>	Oct: 0.0%	Change Oct: -14.28%		
<b>Average weeks unemployed</b>	Oct: 21.2	Change Oct: +0.5		
<b>% longterm unemployed</b>	Oct: 32.5%	Change Oct: +13.4%		
<b>Aggregate hours worked index</b>	Oct: 105.6	Change Oct: +0.8%	Revision Sep: unch	
<b>Average hourly earnings</b>	Oct: +0.14%	Change Oct: +0.10%	Revision Sep: -0.03%	
<b>Aggregate weekly earnings</b>	Oct: 148.9	Change Oct: +0.9%	Revision Sep: unch	
<b>Monthly job-finding probability</b>	Oct: 31.9%	Change Oct: +6.0%		
<b>Monthly separation probability</b>	Oct: 1.9%	Change Oct: -0.1%		
<b>% involuntary part-time</b>	Oct: 4.5%	Change Oct: +0.2%		
<b>"Household" vs "Payroll" jobs</b>	Change Oct: -578			

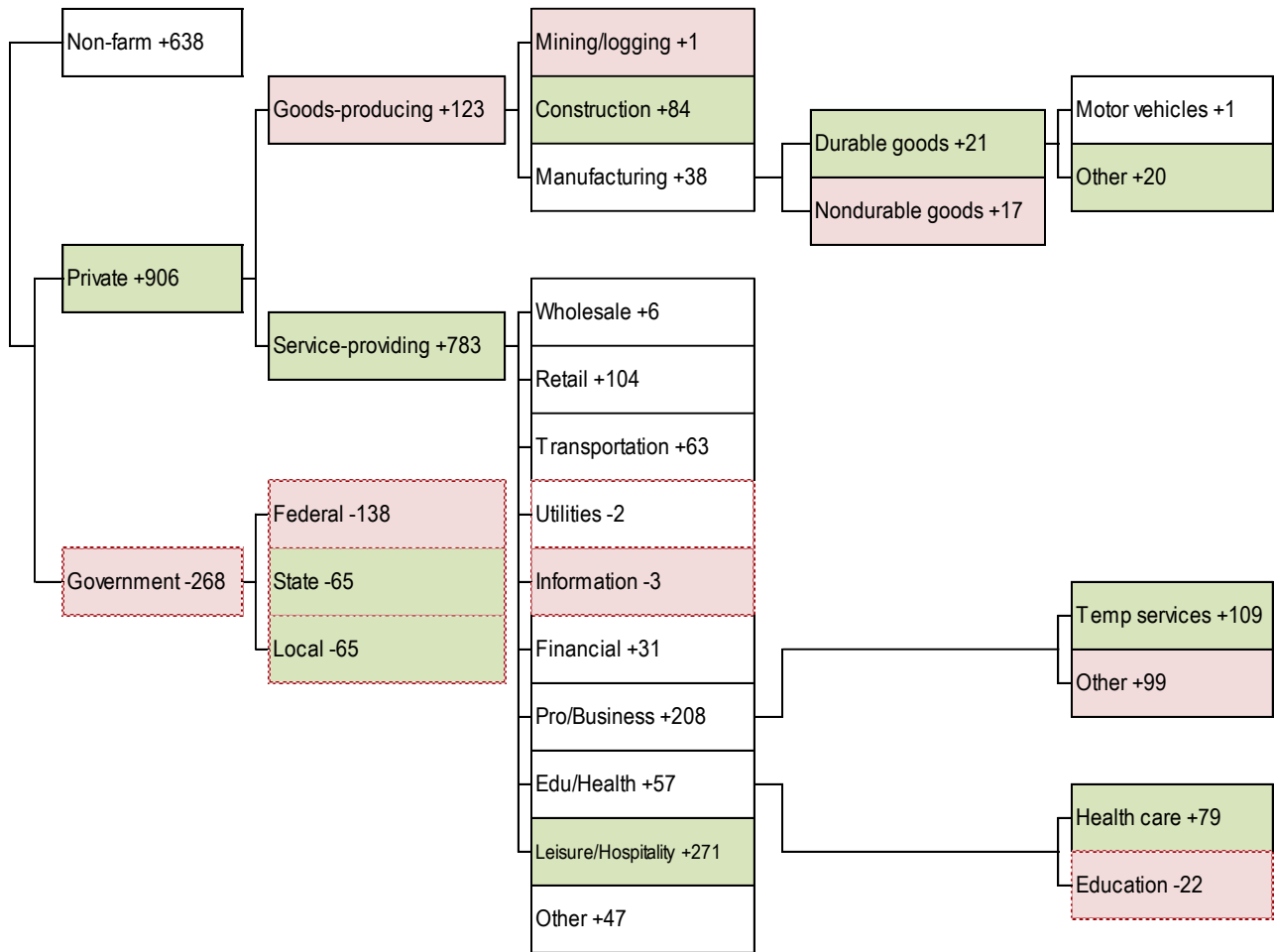
Source: Bureau of Labor Statistics, TrendMacro calculations

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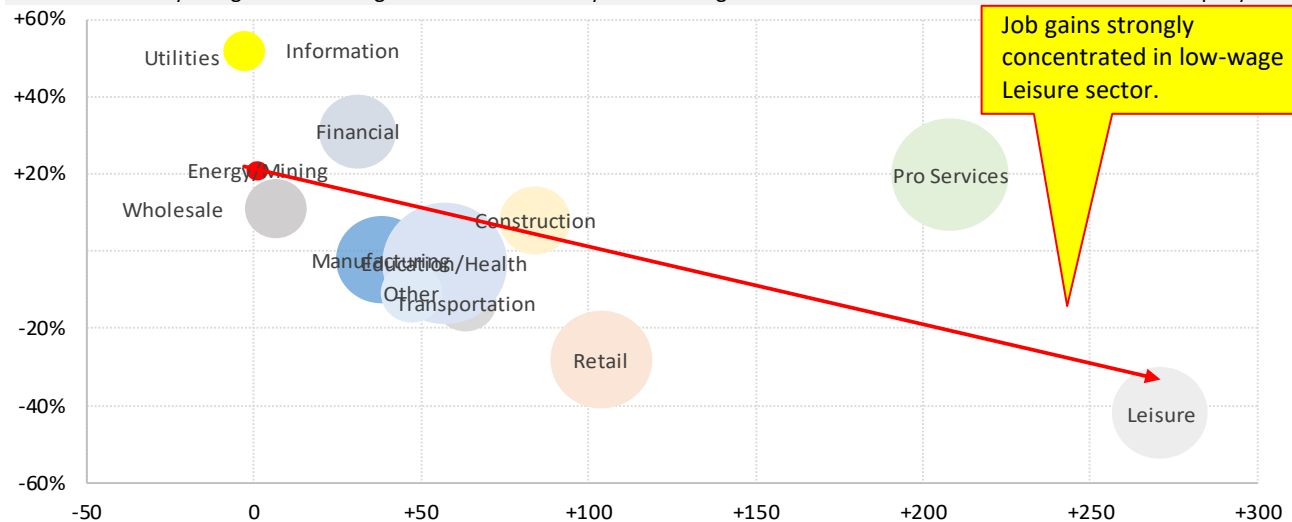
## Today's payroll data: what you need to know -- where did the jobs come from?

Sequential month change, thousands SA --- Net job losses Biggest change per detail module: ■ best ■ worst



## Where is the pay coming from?

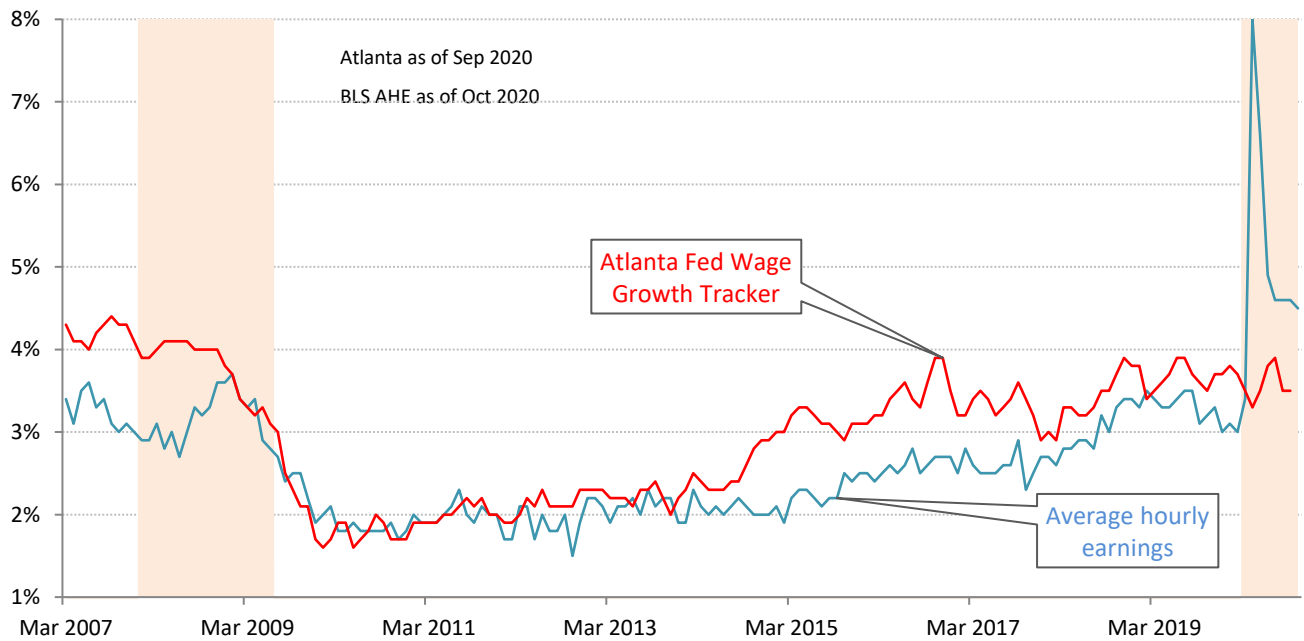
Vertical: Hourly wages vs average Horizontal: Payrolls change this month Circle size: Share of all employment



Source: BLS, TrendMacro calculations

## Solving the wage-growth puzzle

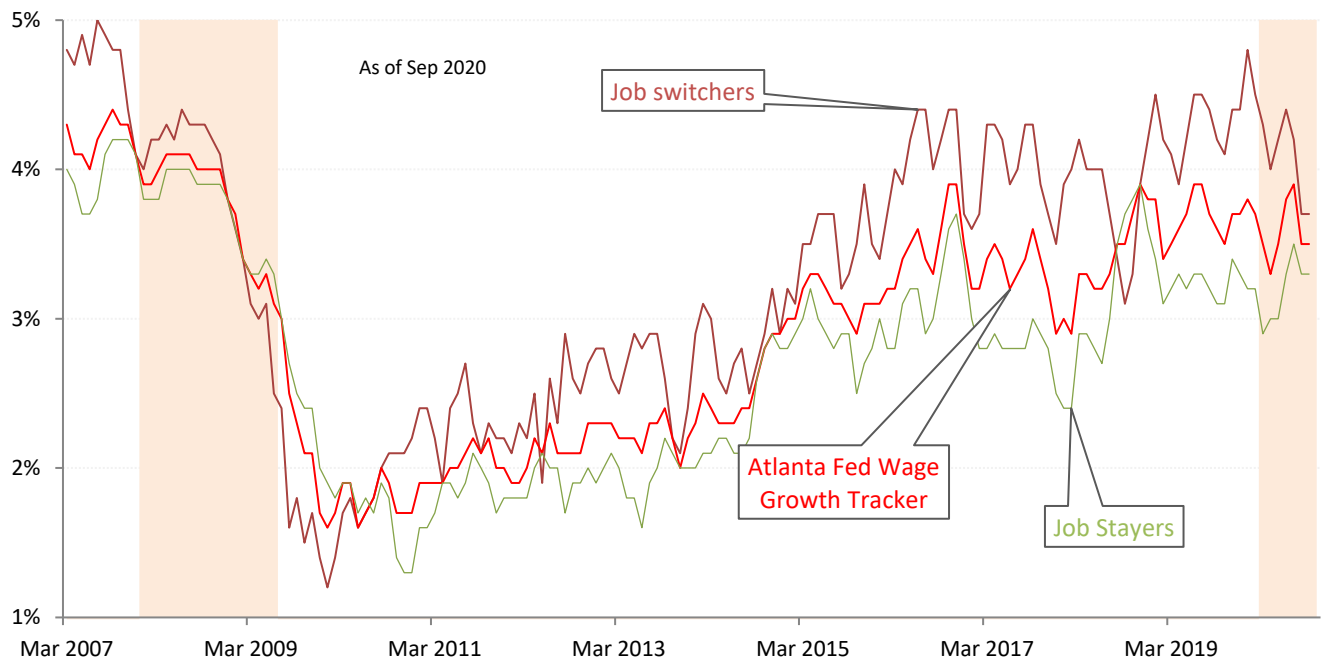
YOY average hourly earnings growth Atlanta Fed Wage Growth Index Recession



Source: BLS Current Employment Statistics, Atlanta Federal Reserve Bank, TrendMacro calculations

## The wages of dynamism

YOY wage growth for steady employees, versus those who change jobs Recession

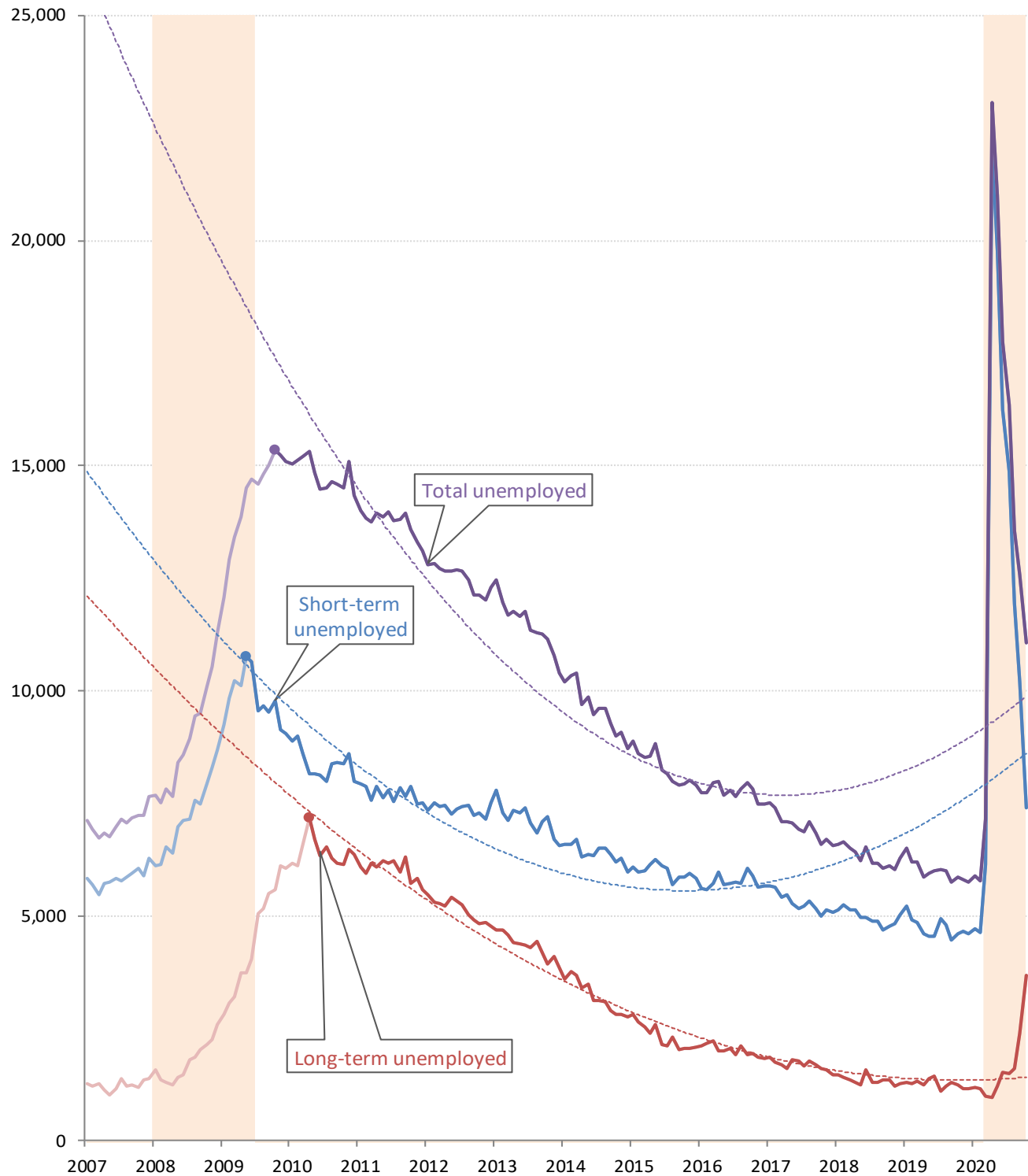


Source: Atlanta Federal Reserve Bank, TrendMacro calculations

# The Great Recession, the jobless recovery, the long boom, and then the virus

Unemployment: thousands Short-term = <27 weeks Long-term = >27 weeks

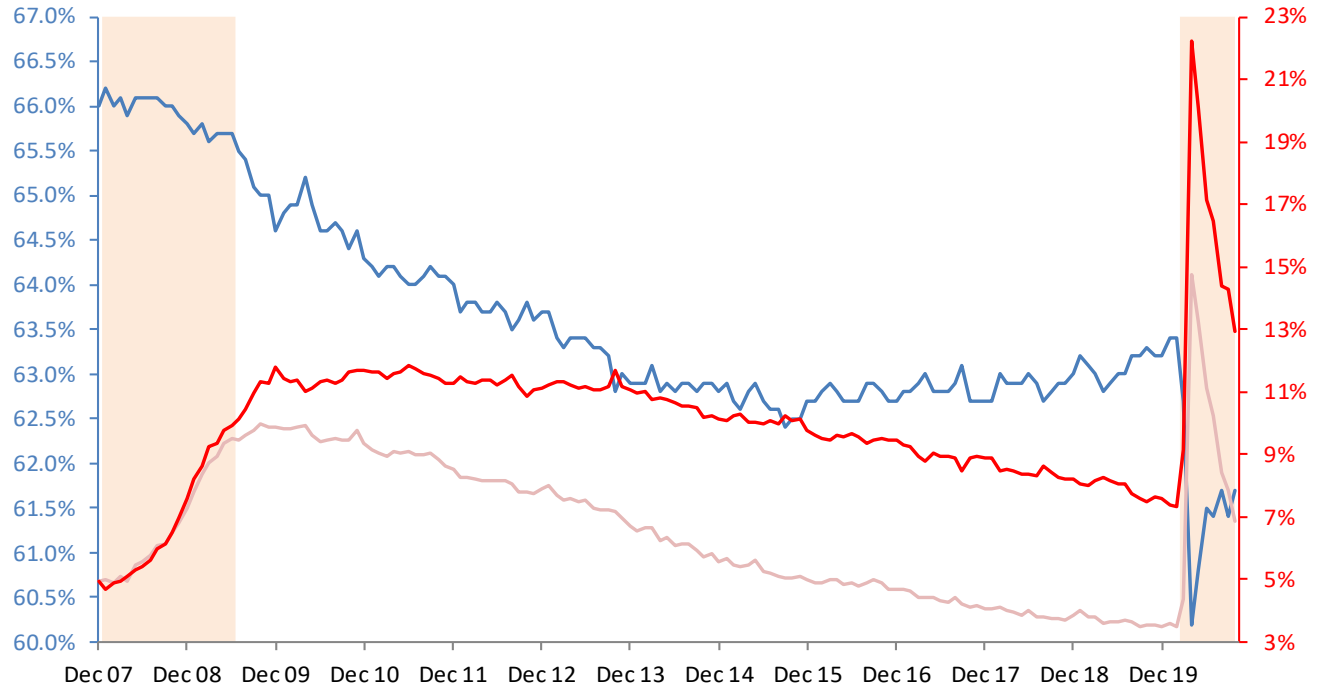
Income inflation adjusted to today's USD



Source: BLS Current Population Survey, TrendMacro calculations

## Unemployment rate normalized for participation rate December 2007

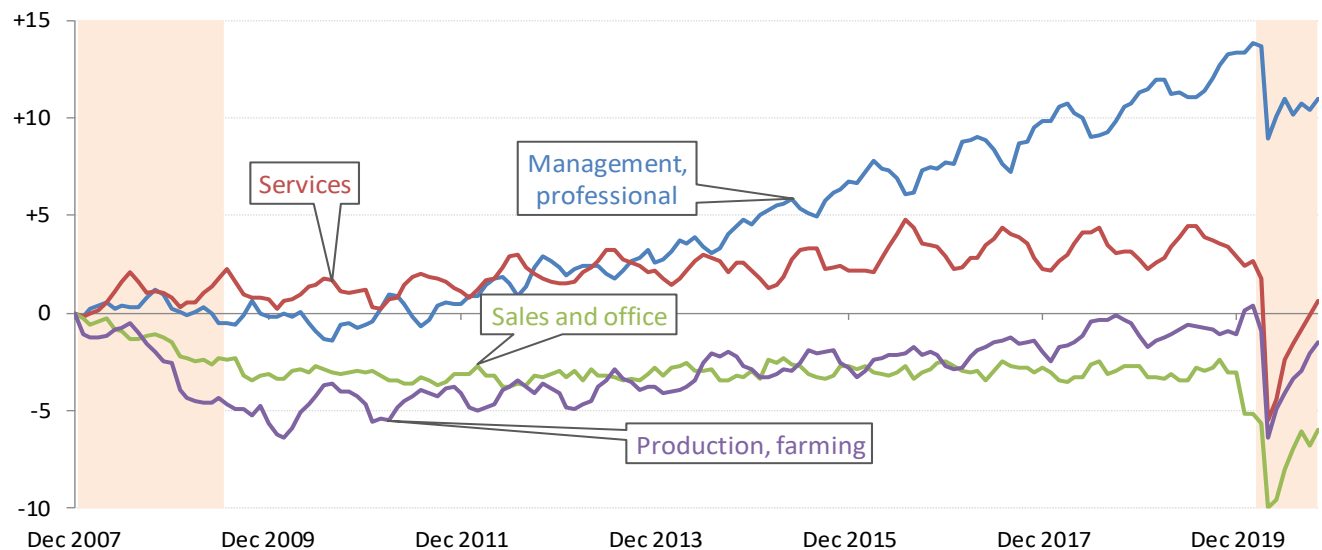
— Participation rate — Headline unemployment rate — Recession



Source: BLS Current Population Survey, TrendMacro calculations

## Winner and losers in the long boom and the virus crisis

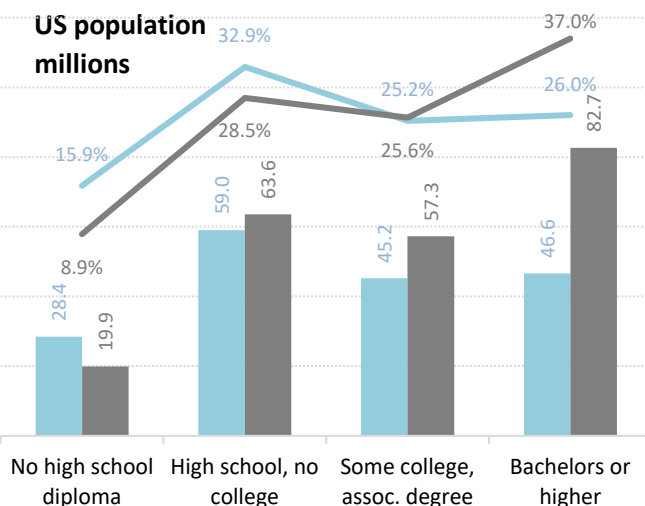
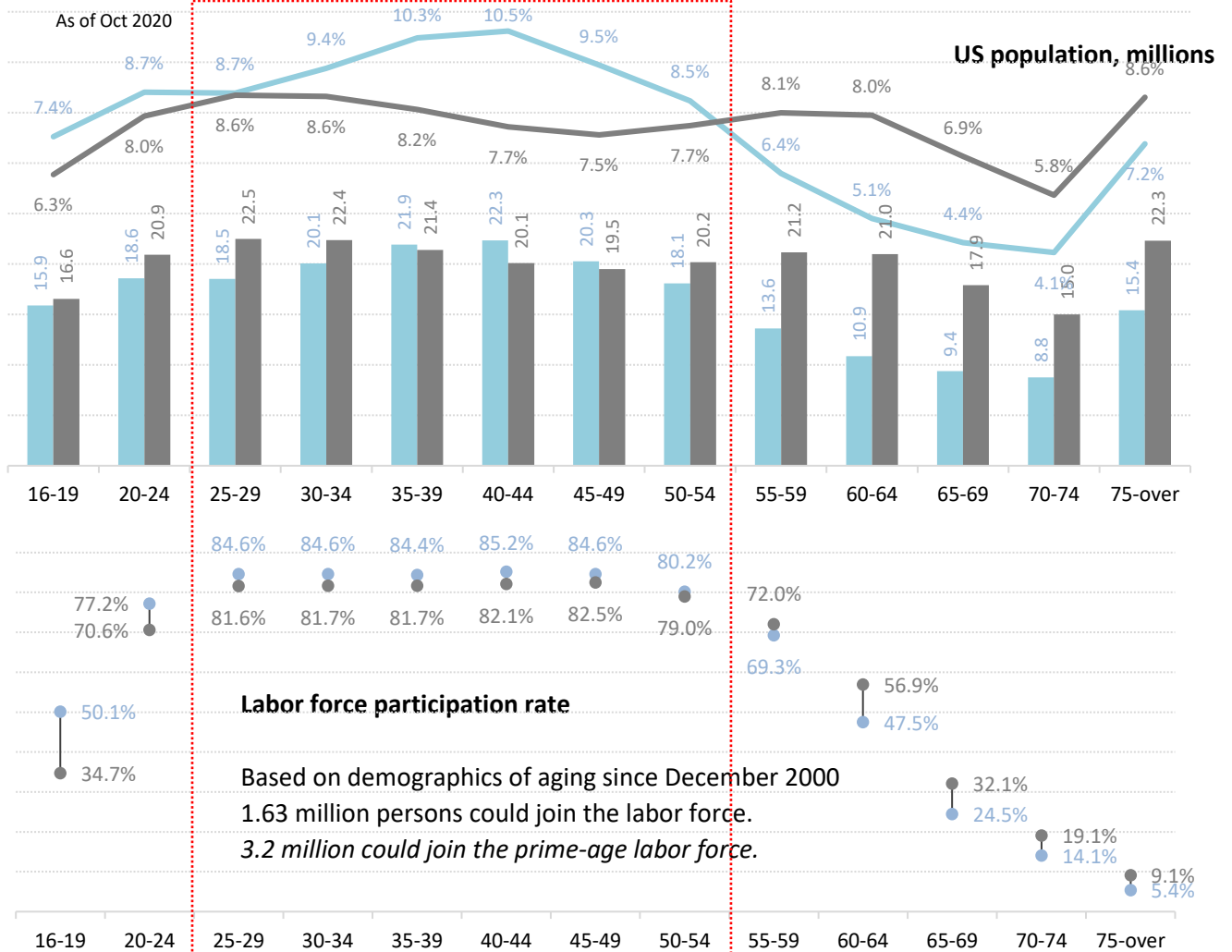
Change in total payrolls from prior business cycle peak, millions



Source: BLS, NBER, TrendMacro calculations

# US labor force demographics: fading baby boom and its well-educated echo

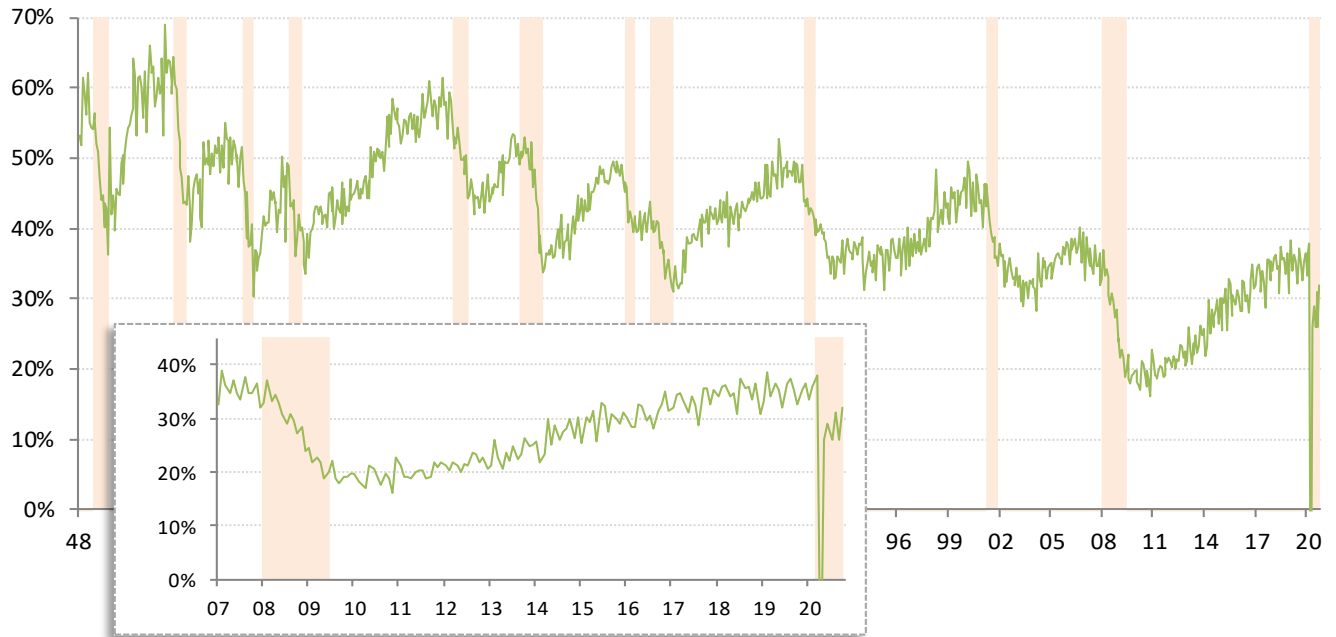
By age and education bracket: ■ Dec 2000, peak in the labor force participation rate ■ Latest □ Prime age



Source: BLS Current Population Survey, TrendMacro calculations

## Monthly job-finding probability (the outflow rate from unemployment)

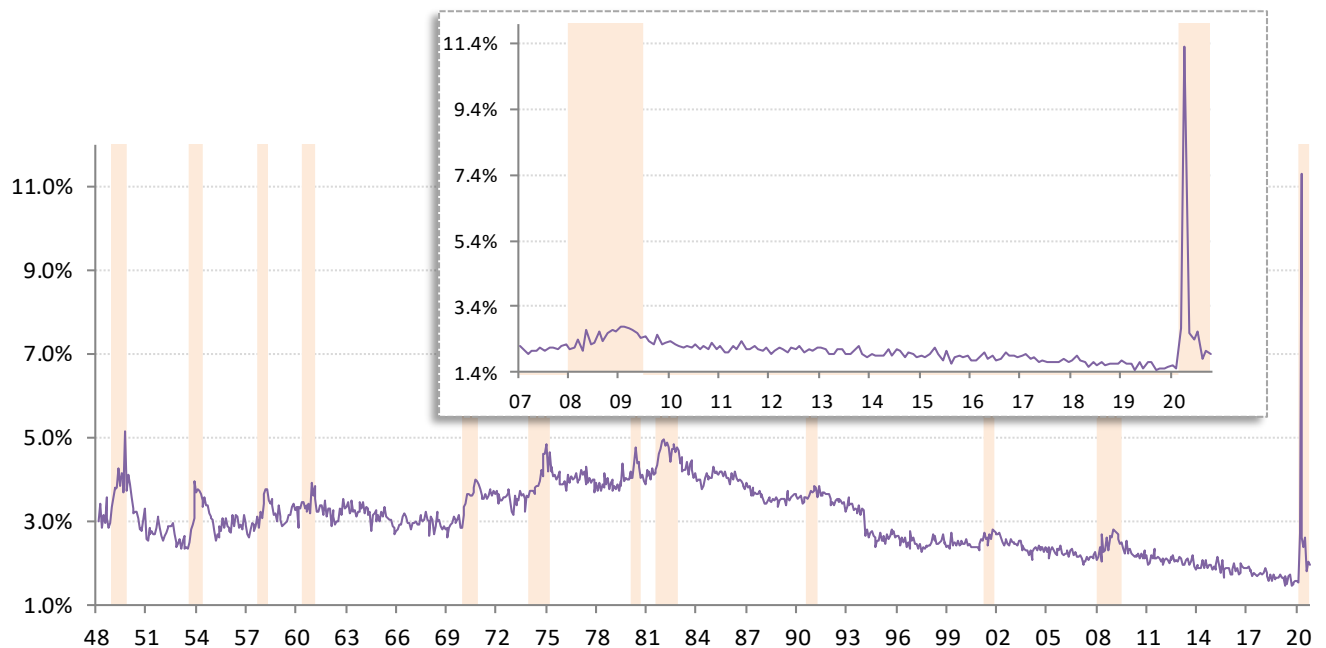
Chance of an unemployed person becoming employed in one month (per [Shimer 2005](#))   Recession



Source: BLS Current Population Survey, TrendMacro calculations

## Monthly job-separation probability (the inflow rate to unemployment)

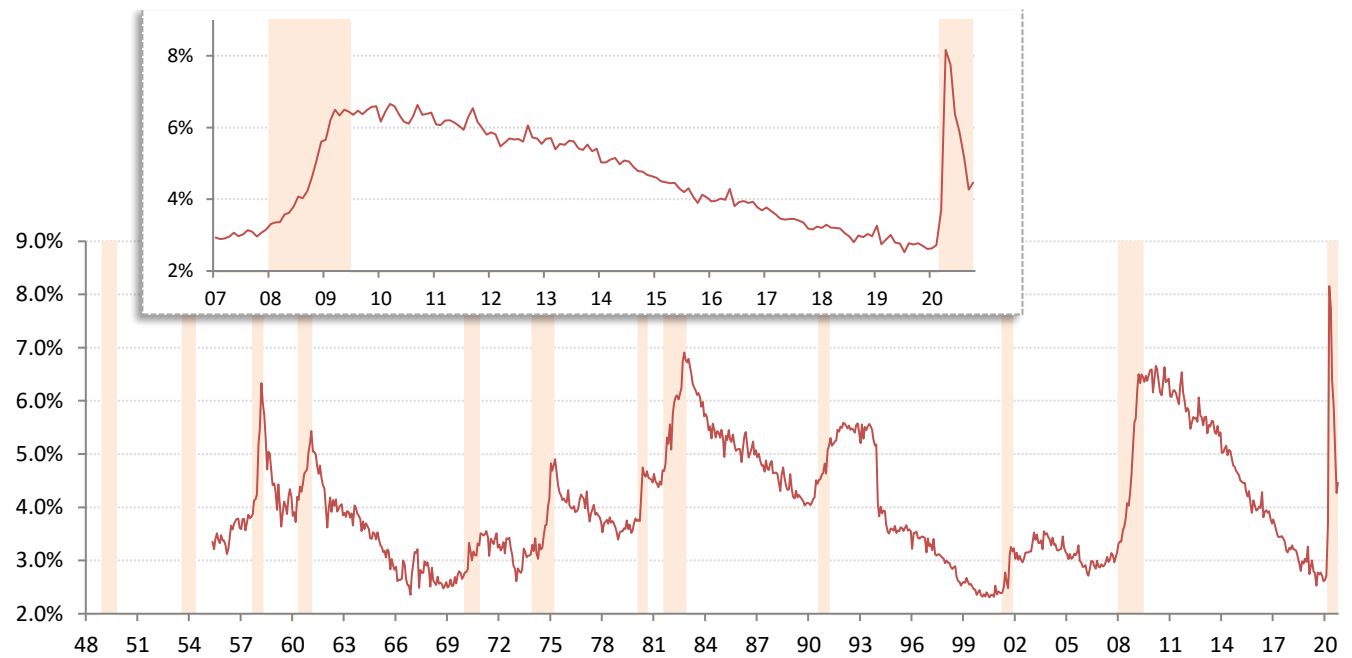
Chance of an employed person becoming unemployed in one month (per [Shimer 2005](#))   Recession



Source: BLS Current Population Survey, TrendMacro calculations

## Involuntary part-time workers as percentage of the employed labor force

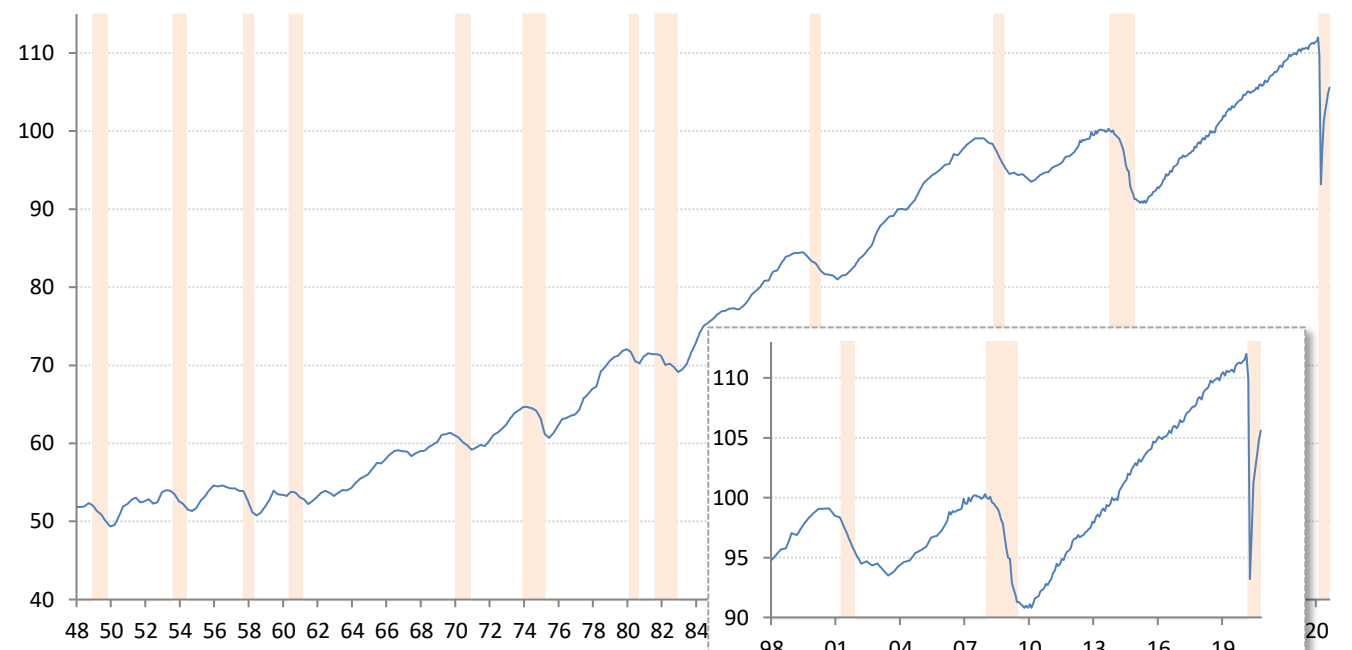
Persons available for full-time work    Recession



Source: BLS Current Population Survey, TrendMacro calculations

## Aggregate weekly private hours-worked index

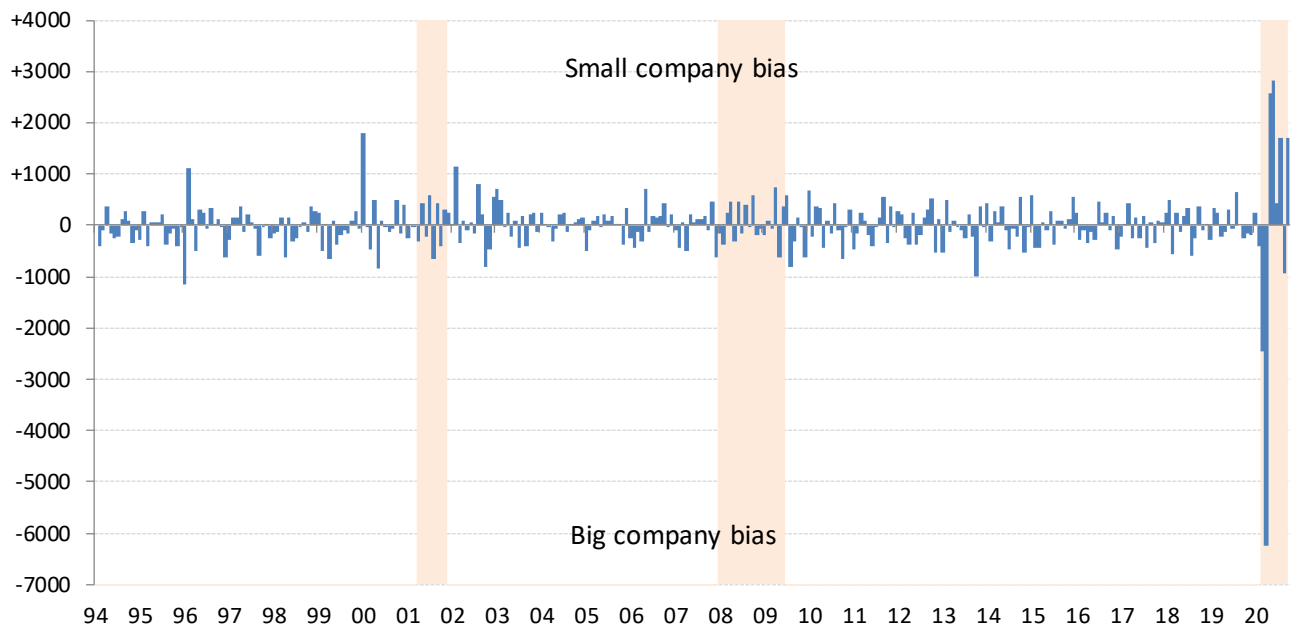
Recession



Source: BLS Productivity and Costs (quarterly) and Current Employment Stats (recent monthly), TrendMacro calcs

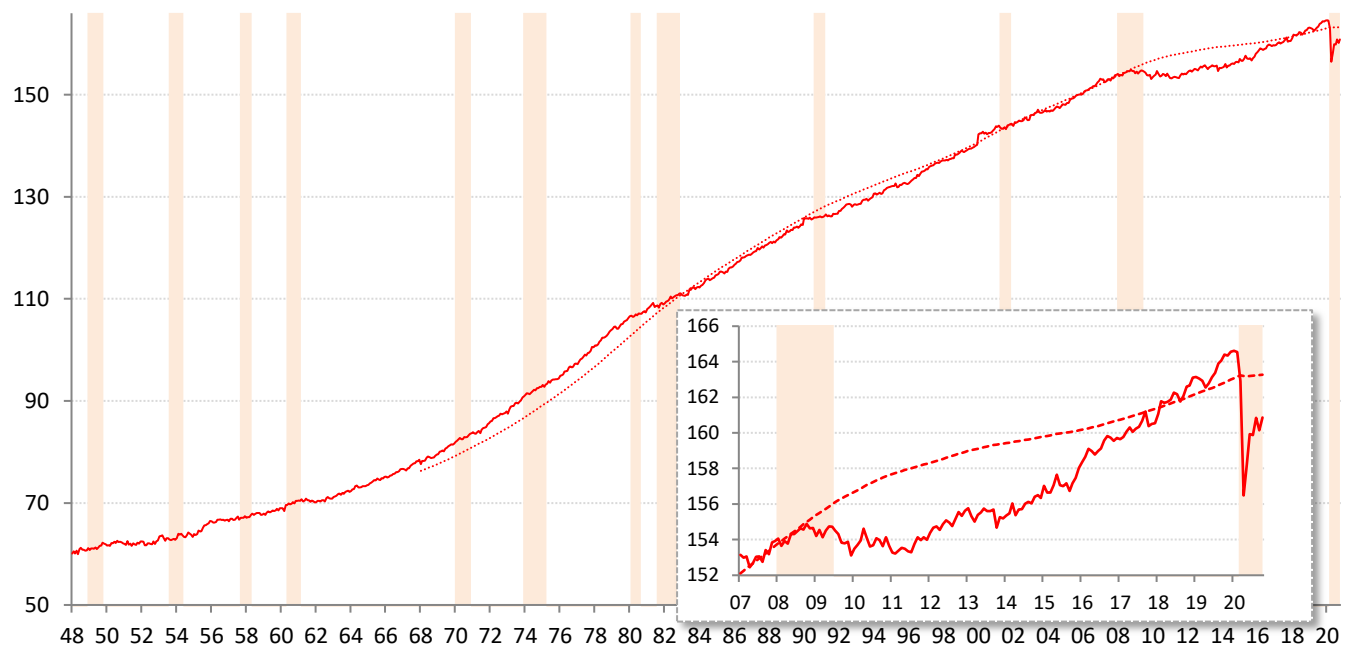


## Difference in employment change: "household" minus "payroll" surveys ■ Recession



Source: BLS Current Population Survey and Current Employment Statistics, TrendMacro calculations

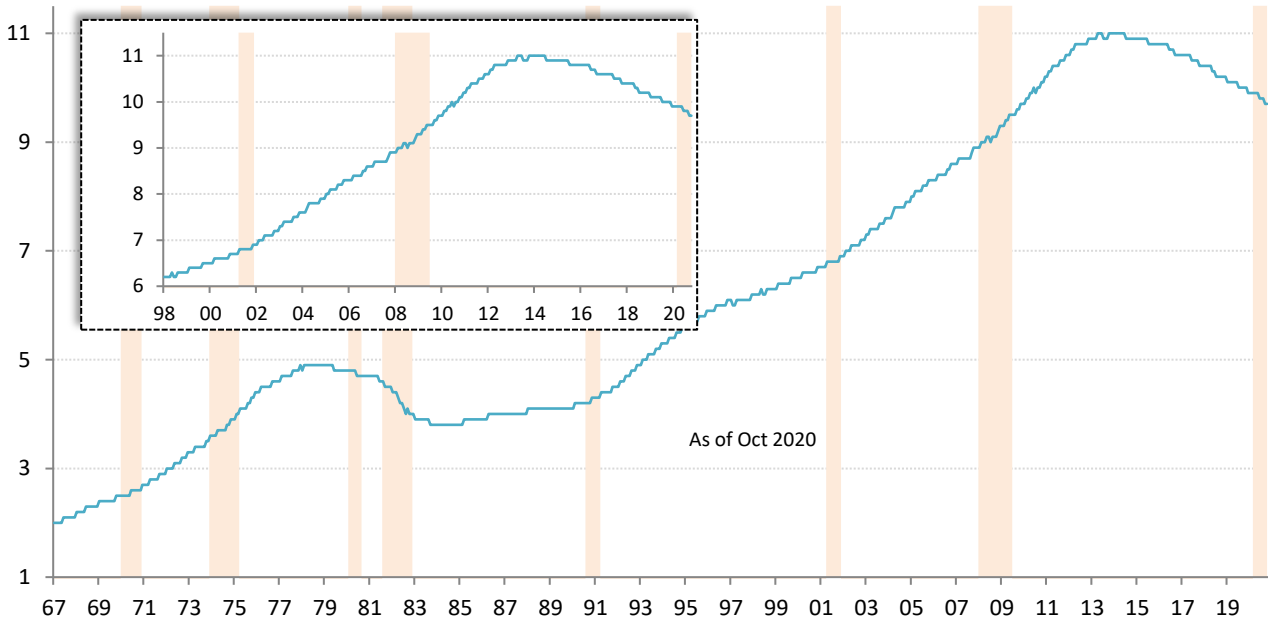
## Civilian labor force versus 20-year trend, millions ■ Recession



Source: BLS Current Population Survey, TrendMacro calculations

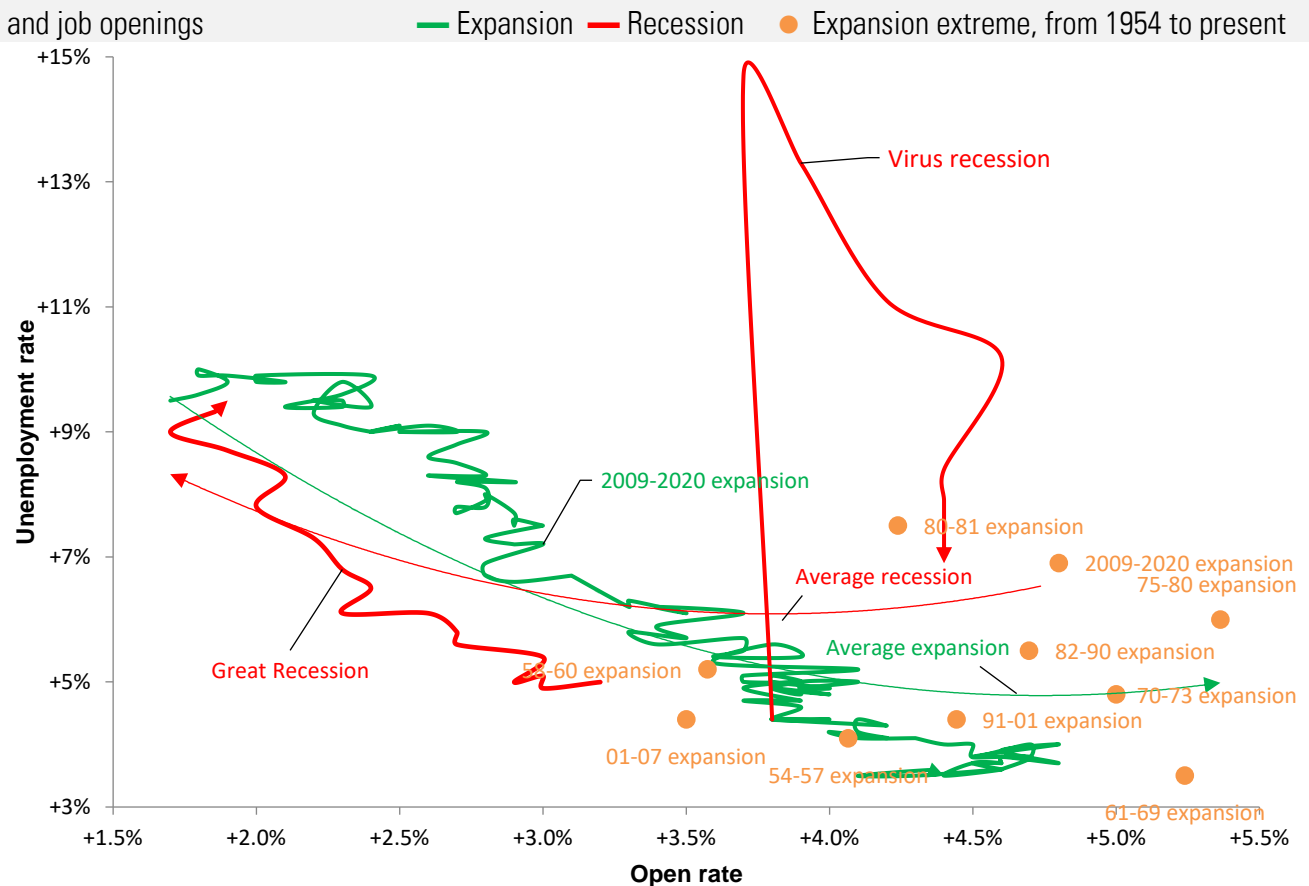
## Can the disabled come back to the labor force?

Social Security disability recipients, millions



## Running out of workers? The Beveridge Curve

Cycle relationship between unemployment and job openings



Source: BLS Current Population Survey & JOLTS. Pre-2000:Conference Board normalized per [Valletta \(2005\)](#), TrendMacro calculations