



September 2021 Employment Update

Acara's monthly overview of the employment landscape, staffing updates, and industry trends





Overview

4.8%

Unemployment rate declined by 0.4%

The unemployment rate fell by 0.4 percentage points to 4.8 percent. The number of unemployed persons fell by 710,000 to 7.7 million. Both measures are down considerably from their highs at the end of the February-April 2020 recession. However, they remain above their levels prior to the coronavirus pandemic (3.5 percent and 5.7 million, respectively, in February 2020).

2.7M

Long-term unemployed decreased by 496,000

The number of long-term unemployed (those jobless for 27 weeks or more) decreased by 496,000 in September to 2.7 million but is 1.6 million higher than in February 2020. The long-term unemployed accounted for 34.5 percent of the total unemployed in September.

61.6%

Labor force participation rate unchanged

The labor force participation rate was little changed at 61.6 percent in September and has remained within a narrow range of 61.4 percent to 61.7 percent since June 2020. The participation rate is 1.7 percentage points lower than in February 2020.

[View unemployment rates by state](#)

[Learn More: Bureau of Labor Statistics](#)



Overview

\$30.85 

Average hourly earnings rose \$0.19

Average hourly earnings for all employees on private nonfarm payrolls rose by 19 cents to \$30.85 in September, following large increases in the prior five months.

2.3M 

Number of permanent job losers declined by 236,000

Among the unemployed, the number of permanent job losers declined by 236,000 to 2.3 million in September but is 953,000 higher than in February 2020. The number of persons on temporary layoff, at 1.1 million, changed little in September.

5.4% 

GDP projected to increase

Economists surveyed in October projected GDP in 4Q 2021 will increase 5.4%.

The *Wall Street Journal* conducts an Economic Forecasting Survey among a group of nearly 80 economists on more than 10 major economic indicators on a quarterly basis, including GDP.

[Learn More: Bureau of Labor Statistics](#) | [American Staffing Association](#)



Staffing Update

1.82%

Temp penetration rate

Temporary help employment was 1.82% of total nonfarm employment in September.

12.1%

Temp help jobs increased

Temporary help jobs in September increased 12.1%, seasonally adjusted, from the same month last year.

+194K

Nonfarm payroll employment higher

Total nonfarm payroll employment rose by 194,000 in September.

Notable job gains occurred in

- Leisure and hospitality
- Professional and business services
- Retail trade
- Transportation and warehousing



[Learn More: Bureau of Labor Statistics](#) | [American Staffing Association](#)



Industry Trends

Throughout the United States, an increasing number of businesses are instituting COVID-19 mandates for their employees

Recent data shows that the share of job postings on Indeed that require vaccination increased by 242% in August. Studies from Gartner also revealed that

46%

of employers

are planning to require vaccinations for all employees.

[Hiringlab.org](https://www.hiringlab.org) | [Gartner.com](https://www.gartner.com) | [SHRM](https://www.shrm.org)



Workers that are unwilling to comply with this condition of employment risk losing their jobs—in which case they would be deemed ineligible to receive unemployment benefits. According to a survey conducted by SHRM,

28%

of employed Americans

said they would choose not to receive the COVID-19 vaccine—even if it costs them their job.



Interested in learning about what prominent U.S. businesses are doing about vaccine mandates? Here are some of the latest stories:

IBM said that all employees must be fully vaccinated against COVID-19 by December 8. Workers that did not comply would face an unpaid suspension, be removed from the company's payroll, and be considered ineligible for IBM's 401(k) matching program. The company matches 401(k) contributions up to six (6) percent once a year on December 15—meaning employees who miss IBM's vaccination deadline will have to forfeit their 401(k) match for the entire year.

American Airlines told employees that they must be fully vaccinated against COVID-19 by November 24. Workers that did not comply would face termination.

United Airlines informed workers that all employees must be vaccinated against COVID-19. Those that did not comply and did not have a legitimate religious or medical exemption would be fired.

JPMorgan Chase notified unvaccinated employees—and those that refused to disclose their status—that they will contribute some of the expenses for testing and higher medical plan costs through higher payroll contributions for medical insurance in 2022. The company also has banned business travel and in-person meetings for staffers who are not vaccinated or will not disclose their vaccination status.

Amtrak announced that all employees must be vaccinated against COVID-19 by a November 22 deadline.

Tyson Foods stated that all workers must be vaccinated against COVID-19 by November 1. The company has introduced incentives for workers to get the vaccine, including running a weekly lottery for workers who have received at least one dose of the vaccine.



The current job market is being impacted by a range of factors, such as:

The rising **Delta variant** likely pushed workers away from jobs that were deemed high-risk, like working in food, retail, and hospitality. Workers have found employment in other sectors that experienced growth during the pandemic, such as warehouses and e-commerce.

Restaurants and retailers have struggled to take back the employees that wanted to escape the high-risk work environment, attributing to a shortage of workers.

As the federal government's emergency unemployment benefit packages expired at the beginning of September, experts theorized that the labor market would benefit from an increased labor-force engagement rate. After all, studies showed that **37% of Americans** earned more from unemployment benefits than in their prior jobs.

Unfortunately, things haven't gone according to plan. The **number of women** that have remained out of work because of childcare responsibilities remains high, while older generations of employees are continuing to enter into retirement at record numbers.

The existence of a **widening skills gap** has challenged businesses and their ongoing recruiting efforts. Because many workers lack the skills and experience that companies are seeking, matching candidates with positions has become increasingly difficult. Look for a heavy emphasis on upskilling/reskilling the workforce to generate steam in the years ahead.