



# Employment Trends

News That Impacts Your Business.

**Express**  
EMPLOYMENT PROFESSIONALS

June 2020

## UNEMPLOYMENT RATE

# 13.3%

The U.S. economy added 2.5 million nonfarm jobs in May, while unemployment dropped from 14.7% in April to 13.3% in May, reflecting the easing of restrictions caused by the COVID-19 pandemic. The Leisure and Hospitality industry had the largest increase in employment in May, adding more than 1.2 million positions, while Government jobs decreased by 585,000. Learn more from the recent employment report compiled by the [U.S. Bureau of Labor Statistics](#) and [view the unemployment rate in your state](#).

## MAJOR INDUSTRY EMPLOYMENT

- Construction: + 464,000
- Manufacturing: + 225,000
- Retail Trade: + 367,800
- Transportation and Warehousing: - 19,000
- Information: - 38,000
- Professional and Business Services: + 127,000
- Education and Health Services: + 424,000
- Health Care and Social Assistance: + 390,700
- Leisure and Hospitality: + 1,239,000
- Government: - 585,000

### Question of the Month

**Has Social Media Ever Been a Factor in Your Hiring Decisions?**

**ANSWER NOW**

## Business Lessons from COVID-19: The Good, the Bad, and the Unknown

*RefreshLeadership.com – May 28, 2020*

Full-time remote work for employees was out of the question for most companies a few short months ago, but after weathering a pandemic that changed how we work almost overnight, business owners say there are several lessons to take away from this time—the good, the bad and the unknown.

Increased reliance on technology was one of the most visible changes companies were forced to make as states enacted shelter-in-place orders. Employees' homes converted to makeshift offices almost overnight. More businesses are seeing that remote work is now a viable option for many employees.

Positive ramifications of the COVID-19 pandemic will undoubtedly be felt by businesses for years, said Express CEO Bill Stoller.

“While it’s easy to take a high-level look at the damage the virus has done to companies, not everything has been negative,” he said. “We have learned to be more grateful for good health, appreciate each other more and lean on one another for support. We will come out of this on the other side, better thanks to the resiliency and determination of the human spirit.”

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## 90% of Employers Improved Workplace Safety

*RefreshLeadership.com – April 24, 2020*

A May 2020 survey from Express Employment Professionals, 90% of decision makers said their businesses have taken steps to improve overall safety in response to COVID-19.

New safety protocols reported include:

- Monitoring employees' temperatures
- Masks
- Plexiglass dividers between workstations
- 6-foot social distancing markers on floors
- Monthly virus safety training
- Increased building disinfecting
- Continued remote work for employees
- Staggered shifts
- Health screenings

Despite these safety improvements, an Express survey of employees during the same time frame found that only 59% believe their employers have done enough to improve workplace safety.

“There is nothing worth more to a company than the health and reassurance of a safe environment for its workers,” Express CEO Bill Stoller said. “June is National Safety Month, and

while it looks quite a bit different this year, safety should always be a top priority for every business.”

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## Staffing

### Temporary Employment Rises Slightly in May

*Staffing Industry Analysts – May 8, 2020*

After a decrease of 841,000 in April, the U.S. temporary help service industry rose by 39,100 jobs in May, according to the Bureau of Labor Statistics. Although experiencing gains, temporary employment is still down 29.2% compared to May 2019.

Sitting at 2.08 million temporary jobs, the temporary penetration rate, which is the percentage of temporary employment compared to total employment, remained unchanged at 1.56% in May, matching last month’s reading with its lowest percentage since April 2010.

“Although the May gains in temporary employment were the largest monthly job gains since 2012, these gains make up only 1.6% of total job gains for the month, after making up 4.0% of the combined losses for March and April,” said Barry Asin, SIA President. “This discrepancy may reflect sectors with lower temporary penetration rates, such as food services, reopening sooner than sectors that use temporary workers as a higher percentage of their workforce. Nonetheless, the directional improvement suggests we have reached a bottom for temporary employment.”

## Business

### Employment Trends Index Increased in May

*The Conference Board – June 8, 2020*

After steep declines in March and April, The Conference Board Employment Trends Index (ETI) increased to 46.28 in May, up from a downwardly revised 42.53 in April. Year-over-year, the index has fallen by 57.9%. The increase can be attributed to positive readings from seven of the eight index components, including (in order from the largest contributor to the smallest): “Job Openings,” “Initial Claims for Unemployment Insurance,” “Real Manufacturing and Trade Sales,” “the Percentage of Respondents Who Say They Find ‘Jobs Hard to Get,’” “Industrial Production,” “the Ratio of Involuntarily Part-time to All Part-time Workers,” and “the Number of Employees Hired by the Temporary-Help Industry.”

Gad Levanon, Head of The Conference Board Labor Markets Institute, pointed out that the increase in seven of the eight components to the index suggest we will see job growth in the coming months. “The number of workers returning to work is larger than the number of new layoffs,” said Levanon. “That was the case in May and will likely be the case moving forward. Just to put things in perspective, the job gains in May recouped just 11 percent of the jobs lost in March and April. Just how much consumers will increase their spending – and how many

new workers employers are willing to hire during such uncertain times – remains to be seen. Also, layoffs are far from over. According to a recent survey by The Conference Board, many human resource executives at large companies say their organizations plan on laying off workers in the coming months. By the end of 2020, the employment level in the US may still be 10 million below where it stood in February – a difficult time for the class of 2020 to enter the labor market.”

## **Consumer Confidence Holds Steady in May**

*The Conference Board – May 26, 2020*

The Conference Board’s Consumer Confidence Index increased slightly to 86.6 in May, up from a downwardly revised reading of 85.7 in April. The Present Situation Index, which shows current views on business and labor conditions, decreased from 73.0 in April to 71.1 in May. However, the short-term outlook of consumers improved as the Expectations Index increased from 94.3 in April to 96.9 in May.

The report also found that only 17.4% of respondents felt jobs were currently plentiful, down from 18.8% in April, while the amount of those who said jobs were hard to get decreased from 34.5% in April to 27.8% in May.

“Following two months of rapid decline, the free-fall in confidence stopped in May,” says Lynn Franco, Senior Director of Economic Indicators at The Conference Board. “The severe and widespread impact of COVID-19 has been mostly reflected in the Present Situation Index, which has plummeted nearly 100 points since the onset of the pandemic. Short-term expectations moderately increased as the gradual re-opening of the economy helped improve consumers’ spirits. However, consumers remain concerned about their financial prospects. In addition, inflation expectations continue to climb, which could lead to a sense of diminished purchasing power and curtail spending. While the decline in confidence appears to have stopped for the moment, the uneven path to recovery and potential second wave are likely to keep a cloud of uncertainty hanging over consumers’ heads.”



## **US Consumer Prices Continue to Decline**

*Reuters – June 10, 2020*

After experiencing its largest drop since December 2008, The Consumer Price Index (CPI) continued to slip for the third straight month, according to The Labor Department. After decreasing by 0.4% in March and 0.8% in April, the CPI fell by a seasonally adjusted 0.1% in May. Core prices, which exclude food and energy categories, also fell by 0.1% in May after a 0.4% drop in April. According to the Labor Department, this is the first ever three-month continual decline for the index. Energy prices fell 1.8%, while gasoline prices fell 3.5% in May after a 20.6% decline in April. However, prices at the pump actually rose from \$1.84 per gallon in April, to \$1.87 in May, showing signs of an increase in travel.

As prices remain low and an economic strain is still present due to lockdowns, the Federal Reserve is monitoring inflation. However, Jerome Powell, Chairman of the Federal Reserve,

stated “We see prices moving down. That’s because, in a lot of parts of the economy, people are cutting prices. So you’ll see weak inflation data for a while.”

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