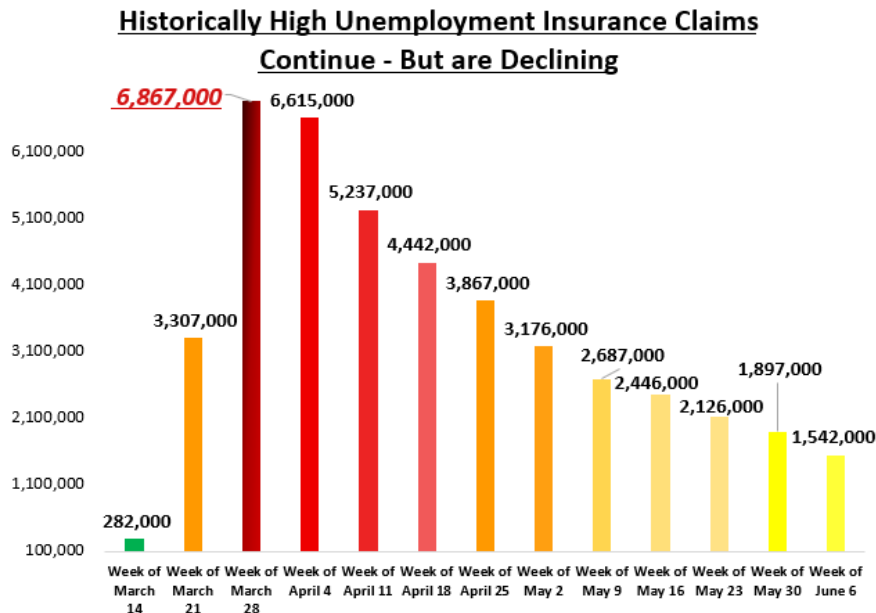


Labor Market May Be Starting to Improve

More than 1.5 million Americans filed unemployment claims last week, according to the [Department of Labor](#). That was 355,000 fewer than the week before. Initial claims continue to decline but are still at a historically high level.

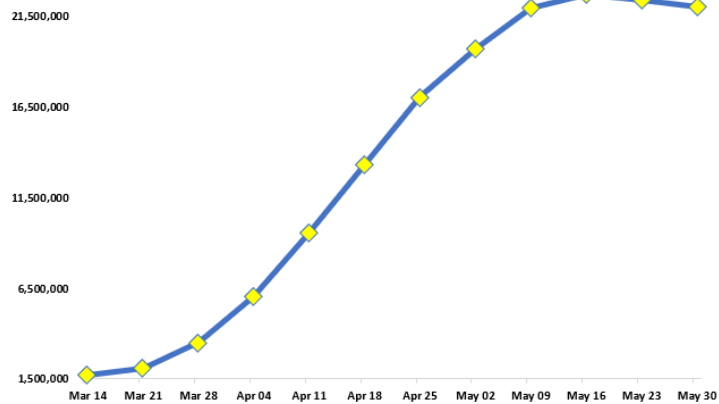


In total, more than 44.2 million people have filed for unemployment since mid-March.

At this point, now that economies are reopening across the country and some workers are going back to work, it is helpful to examine continuing unemployment claims. This figure is less than total claims because it subtracts out those that have gone back to work. Last week, more than 20.9 million workers had continuing claims. That was 339,000 fewer than last week.

The four-week moving average of continuing claims was about 22 million, a decline of more than 400,000 from the week before. The four-week average gives us a good snapshot of the labor market's health because it smooths out the recent data to show a clearer trend. Continuing claims have fallen for two straight weeks. It seems to have peaked and is slowly moving down.

**Four-Week Average of Continuing Unemployment Claims Has
Leveled Off**



The labor market seems to be improving slightly. It is still badly damaged compared to where it was before the COVID-19 shock and resulting economic Great Pause. But the worst is probably behind us and recovery is underway. It will take years to fully recover, unfortunately.

—Curtis Dubay, Senior Economist, U.S. Chamber of Commerce