

2.5 Million Jobs Added in May

The job market **added** 2.5 million jobs in May according to the Bureau of Labor Statistics (BLS). The unemployment rate fell to 13.3% from 14.7% in April and the labor force grew by 1.7 million. Wages ticked down 1% after a big gain in April.

Job losses in March and April totaled 22 million, so there remains an enormous 20 million jobs deficit. Most observers expected another terrible month of losses. To have gains at this magnitude is highly encouraging. The data on unemployment claims and private payrolls pointed to a down month.

The question going forward is whether this rebound will persist. If the labor market can sustain job gains at this level, then it can repair itself at a much faster clip than anticipated. That would suggest a faster recovery for the broader economy.

This is only one month of data, so it is too soon to get overly optimistic. Challenges remain ahead. But given the terrible parade of data the last few months, this is a much-needed glimmer of hope.

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