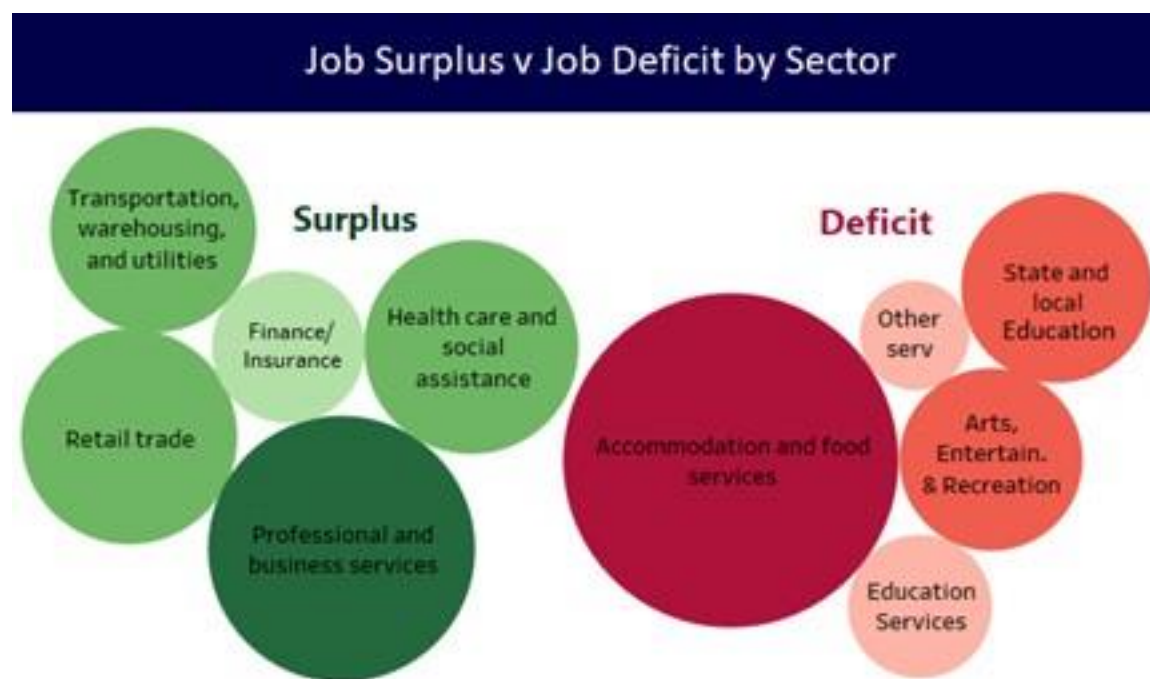


Jobs Deficits in Industries Could Slow the Labor Market's Recovery

The differences in job losses and openings by industry could slow the labor market's recovery. The Bureau of Labor Statistics produces job losses by industry with its [monthly jobs report](#). It also reports job openings by industries in its monthly [JOLTS report](#). The figures can be compared to see which industries have capacity to employ workers who lost jobs in other industries.



Details: Professional and business services have lost more than 1 million jobs from February to December 2020. However, the industry also had more than 1.5 million job openings in December. That means it could reemploy all those that lost jobs and still be able to employ another 520,000 workers.

On the flip side, leisure and hospitality has lost more than a million jobs but had only 700,000 job openings in December.

Big picture: In total, there are more than 3.2 million more workers unemployed than there are job openings. The imbalance of job surpluses and deficits by industry shows that getting more people back to work will be a challenge if we assume the industries with jobs surpluses now will continue to add openings more rapidly than those with deficits.

Looking at some of the hardest hit industries like leisure and hospitality; accommodations and food services; and arts, entertainment, and recreation; and comparing them to some of the industries with the most opening like professional and business services; health care and social

assistance; and finance and insurance reveals the problem. It will be hard for workers in those hard-hit industries to find jobs in the better-off ones because their skills do not necessarily translate.

Bottom line: This imbalance is something Congress and the Biden administration should be planning to address in their COVID relief bills. Not only because it has immediate ramifications, but also because it is likely to persist as businesses continue to automate in place of low-skilled workers.

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