

News Release

For more information:

joseph.dibiasi@conference-board.org

Release #7012

July's Jobs Report: The Reopening's Last Gasp **Commentary on Today's U.S. Bureau of Labor Statistics Employment Situation Report** **By Gad Levanon, VP of The Conference Board Labor Markets Institute**

In July, employment increased by 1.76 million, almost entirely from services industries impacted by social distancing. The unemployment rate dropped to 10.2 percent, though the true rate, after adjusting for the misclassification error, is 11.1 percent.

The big question: Whether the impact of the reopening of the economy has already been exhausted by July, and whether the remaining job recovery resulting from further reopenings will be sufficient to offset the ongoing widespread layoffs due to downsizing and bankruptcies.

We do not expect employment growth to expand much in the coming months, partly due to the uncertainty about government stimulus, the \$600 enhanced unemployment aid, in particular, and the high likelihood that funding will become less generous. As a result, the recovery in consumer spending, economic activity, and employment will significantly slow down in the coming months.

About The Conference Board

The Conference Board is the member-driven think tank that delivers trusted insights for what's ahead. Founded in 1916, we are a non-partisan, not-for-profit entity holding 501 (c) (3) tax-exempt status in the United States. www.conference-board.org

For more information

joseph.dibiasi@conference-board.org