

ECONOMIC UPDATE

September 2, 2022

Economic Issue in Focus: Job Gains Continued and the Labor Force Grew As the U.S. Added 315,000 Jobs in August

According to the latest [data](#) from the Bureau of Labor Statistics, the United States [added](#) 315,000 jobs in August. In 19 consecutive months of job growth under President Biden, the U.S. economy has added more than 9.7 million jobs, making it the fastest job growth in history.

The share of people working or looking for a job, known as the labor force participation rate, increased sharply as more workers joined the labor force. Adding workers to the labor force is essential to increasing productivity and fighting inflation.

Although the unemployment rate ticked up slightly—from its 50-year low of 3.5% to 3.7%—it was primarily driven by the large number of workers joining the labor force. Gains were particularly strong for women and, for the first time, working-age women are now back to work at a level not seen since before the pandemic.

Since President Biden came into office, the U.S. has more than recovered all the jobs lost during the pandemic recession. This history-making recovery is a direct result of strong leadership and good economic policy that put workers and families over corporate interests. Policies like the American Rescue Plan and bipartisan infrastructure bill bolstered businesses and families and are laying the foundation for continued job growth and shared prosperity.

Key Economic Indicators To Track

- **Job Openings, Hires and Separations Data Also Confirm the Labor Market Remains Resilient:** [Data](#) from the Bureau of Labor Statistics released on Tuesday on job openings and separations also show that the labor market remains strong. High levels of job openings and low levels of layoffs continue to demonstrate both strong demand for workers and workers' confidence to secure better opportunities. The layoffs and discharges rate remained low at 0.9%, close to the lowest rate in the last 20 years.
- **Consumer Confidence Is on the Rise:** The Conference Board, an independent business membership and research group, reported that the Consumer Confidence Index increased in August—rising to 103.2 from 95.3 in July—the first increase in four months. Any number above 100 indicates that consumers are feeling more optimistic about their expected financial situation in the future, which can lead to increased consumer spending. Falling gas prices, which have declined for 11 consecutive weeks, contributed to August's increase.

JEC Labor Day Spotlight: The NLRB Is Protecting Worker's Right to Organize, Improving Economic Equality and Stability

Ahead of Labor Day, the JEC released a [report](#) highlighting the important role the National Labor Relations Board (NLRB) plays in protecting employees' labor rights and strengthening workers' economic security. NLRB efforts help address economic inequality and ensure that workers see the benefits of economic

growth. During the pandemic and in its aftermath, the NLRB has played a particularly important role in ensuring that workers' right to organize is protected.

In the past year, the strong labor market and the lingering effects of the COVID-19 pandemic have empowered many workers to organize, leading to a series of high-profile service sector unionization efforts and a wave of strikes in fall 2021. In response to these events, the NLRB has moved to improve the unionization process and strengthen workers' rights and economic status. For example, the NLRB's General Counsel issued a decision acknowledging that being illegally fired has consequences for employees beyond lost incomes, which resulted in employers now being responsible for paying employees additional damages when employers break the law. The Board is considering making this change permanent.

The NLRB's renewed focus on improving the unionization process is particularly important because [unionized workers](#) get higher pay, better benefits and more flexibility in their work schedules compared to workers who are not in a union. These benefits are especially large for Black and Hispanic workers. Importantly, unions generate broader spillover effects for all workers in industries with high rates of unionization, even for workers who are not in unions.

Although the NLRB's caseload has grown sharply in 2022, its funding has decreased, especially since 2010. Additional funding as well as expanded authorities would help the NLRB carry out its statutory responsibilities to ensure workers' right to organize and allow more workers to pursue unionization.

Selected JEC Resources

- [*People of Color and Low-Income Communities Are Disproportionately Harmed by Banking and Financial Exclusion*](#)
- [*Unions Provide Major Economic Benefits for Workers and Families*](#)
- [*The Inflation Reduction Act Will Make the Tax System Fairer and Strengthen the Economy*](#)
- [*The Inflation Reduction Act Would Fight Inflation and Lower Costs for Americans*](#)

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