

JOINT ECONOMIC COMMITTEE

CONGRESSMAN DON BEYER, CHAIRMAN
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ECONOMIC UPDATE

July 2, 2021

Economic Issue in Focus – Jobs Day

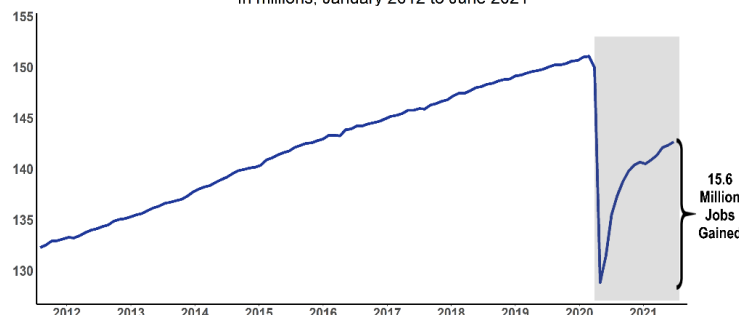
- JEC Chairman Don Beyer released the following statement: “This morning, the Bureau of Labor Statistics (BLS) reported that nonfarm payroll employment increased by 850,000 in June, and the unemployment rate remained statistically unchanged at 5.9 percent. The latest data, which exceeded expectations, show that we have regained 70 percent of the jobs lost during the pandemic. These latest indicators of a strengthening labor market offer an opportunity for us, as a nation, to commit to advancing a recovery that delivers a more equitable economy for all. By investing in our shared infrastructure, in the capabilities of the American people and in the industries of the future, we can pave the way for a recovery that is strong, stable, and broadly shared.” Read his full statement [here](#).

Key Economic Indicators to Track

- *June 29:* According to a [survey](#) from the Conference Board, U.S. consumer confidence jumped to its highest level in nearly 1.5 years, up from 120.0 in May to 127.3 in June. This reflects growing labor market optimism amid a reopening economy—as more than 150 million Americans have been fully vaccinated, paving the way for broader economic re-engagement.
- *July 1:* [Data](#) released by the Department of Labor showed that the labor market continues to recover: New claims for unemployment benefits fell to 364,000, the lowest level since the start of the pandemic recession in March 2020. CBO released its [Update to the Budget and Economic Outlook: 2021 to 2031](#), which projected 7.4% real GDP growth in 2021 and employment surpassing pre-pandemic levels in 2022.
- *July 2:* The Bureau of Labor Statistics (BLS) reported [nonfarm payroll employment increased by 850,000](#) in June and the unemployment rate remained statistically unchanged at 5.9%. The number of people who reported that they weren't looking for work because of COVID fears declined by one million.

U.S. Total Nonfarm Employees

In millions, January 2012 to June 2021



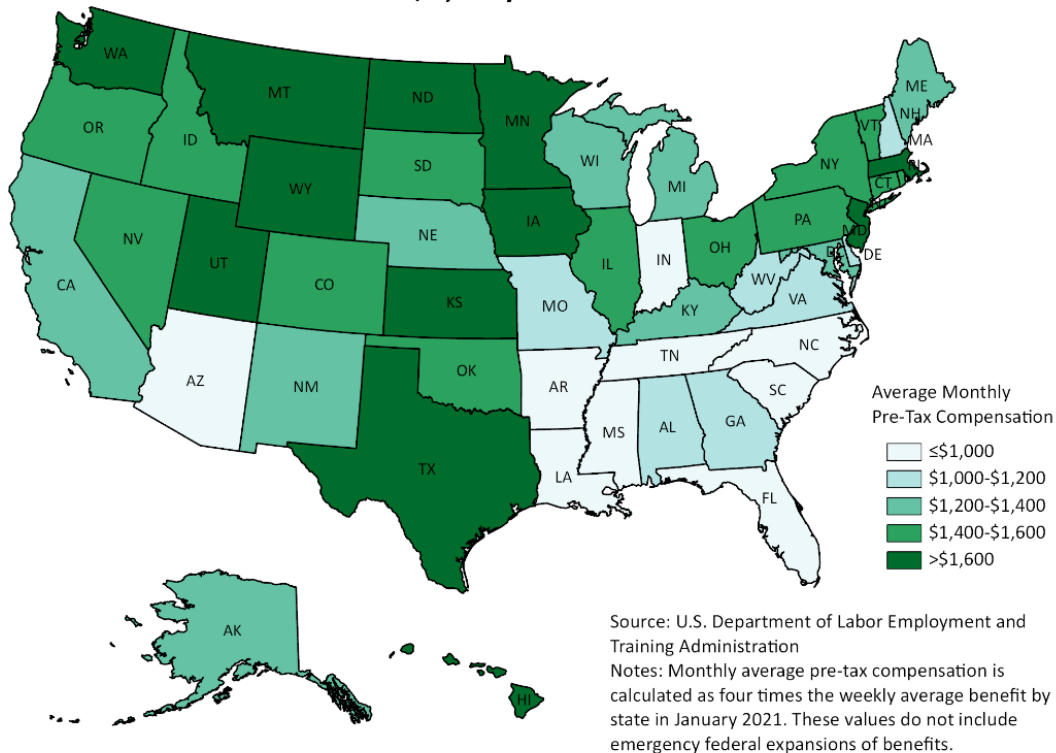
Source: Bureau of Labor Statistics; Haver Analytics.
Note: Data are seasonally adjusted.

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JEC Spotlight – [A 21st Century UI System Is a Requirement for Economic Resilience](#)

A well-designed Unemployment Insurance (UI) system stabilizes consumption—a key driver of economic growth—and bolsters economic security, strengthening the overall economy. During economic shocks, it is critical for supporting families and keeping the U.S. economy afloat. For example, during the Great Recession, [research](#) shows an emergency supplemental program and a boosted weekly benefit amount “kept more than 5 million Americans out of poverty, and saved more than 2 million jobs by boosting demand in a sagging economy.” And during the coronavirus recession, without emergency federal UI programs, millions of gig and other workers would not have been eligible to receive any unemployment benefits, contributing to widespread economic insecurity and costing local economies billions. In order to bring UI into the 21st Century, eligibility should be expanded to cover the changed (and changing) labor force, benefit durations should last long enough to predictably sustain a worker through a high-quality job search and compensation should provide enough cash to maintain the basic needs of families.

9 States Pay Average Unemployment Benefits of Less than \$1,000/Month Before Taxes



Selected JEC resources

- [Investing in the IRS to Close the Tax Gap](#)
- [Infrastructure and its Impact on the U.S. Economy](#)

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