



# NEWS RELEASE: Nonprofit job recovery rebounds in May, with a gain of 63,000 jobs

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Online at: <http://ccss.jhu.edu/may-2021-jobs>

In our **continuing effort** to track the ongoing impact of the coronavirus pandemic on nonprofit employment, this report documents our estimates of COVID-induced nonprofit job losses through losses through May 2021, as reflected in the **May BLS Employment Situation Report**. Following a weak showing in April, May's BLS data reported a more robust gain of 492,000, private non-farm jobs nationwide during the month. While accommodation and food services—a field in which nonprofits represent only a small fraction of overall employment—recorded the strongest growth during May, two important nonprofit-dominated fields—education and arts—saw strong growth as well.

**Part 1** of this report spotlights the changes in nonprofit employment over the most recent month. **Part 2** then details the recovery of nonprofit jobs over the past several months and notes where that leaves nonprofit employment as of May 2021 compared to the pre-pandemic period. Against this backdrop, **Part 3** provides an updated estimate of the time it will take the nonprofit sector to return to pre-pandemic employment levels.

## PART 1: CHANGE IN NONPROFIT JOBS IN MAY 2021

As shown in **Figure 1**, May saw a sizable gain of more than 63,000 nonprofit jobs compared to April 2021's total—representing a gain of nearly 8% of the 796,000 jobs still lost as of April.<sup>1</sup>

The educational field saw the strongest job recovery in May, adding nearly 29,000 jobs, an increase of 11.4% during the month. This strong showing followed a loss of over 7,500 jobs in April—continuing a whiplash recovery in this field over the past several months and reflecting the re-opening of many schools during this period. The hard-hit arts, entertainment, and recreation field added over 11,000 jobs in May, increasing employment in this field by 11.5% from where it stood in April. Also notable was the 10.2% increase in nonprofit jobs in the social assistance field, which added over 9,500 jobs in May. Jobs in nonprofit health care institutions,

**FIGURE 1 • Estimated changes in nonprofit jobs, May vs. April 2021, by field**

	Nonprofit jobs lost as of April 2021 <sup>^</sup> vs. February 2020	Change in nonprofit jobs in May vs. April 2021 <sup>^</sup>	Percent change in nonprofit jobs in May vs. April 2021 <sup>^</sup>
<b>Arts, entertainment, &amp; recreation</b>	-96,965	11,126	11.5%
<b>Educational services</b>	-252,758	28,872	11.4%
<b>Social assistance</b>	-94,227	9,577	10.2%
<b>Other fields*</b>	-19,883	1,953	9.8%
<b>Health care</b>	-231,248	9,774	4.2%
<b>Religious, grantmaking, civic, professional, &amp; similar</b>	-73,246	1,016	1.4%
<b>TOTAL, ALL FIELDS</b>	-796,061	63,192	7.9%

<sup>^</sup> Reflects BLS adjustments totaling +27,000 jobs in March and April 2021.

\* Includes: Construction; Manufacturing; Wholesale trade; Retail trade; Professional and technical services; Transportation and warehousing; Information; Finance and insurance; and Accommodation and food services. Totals ~4.4% of total nonprofit employment.

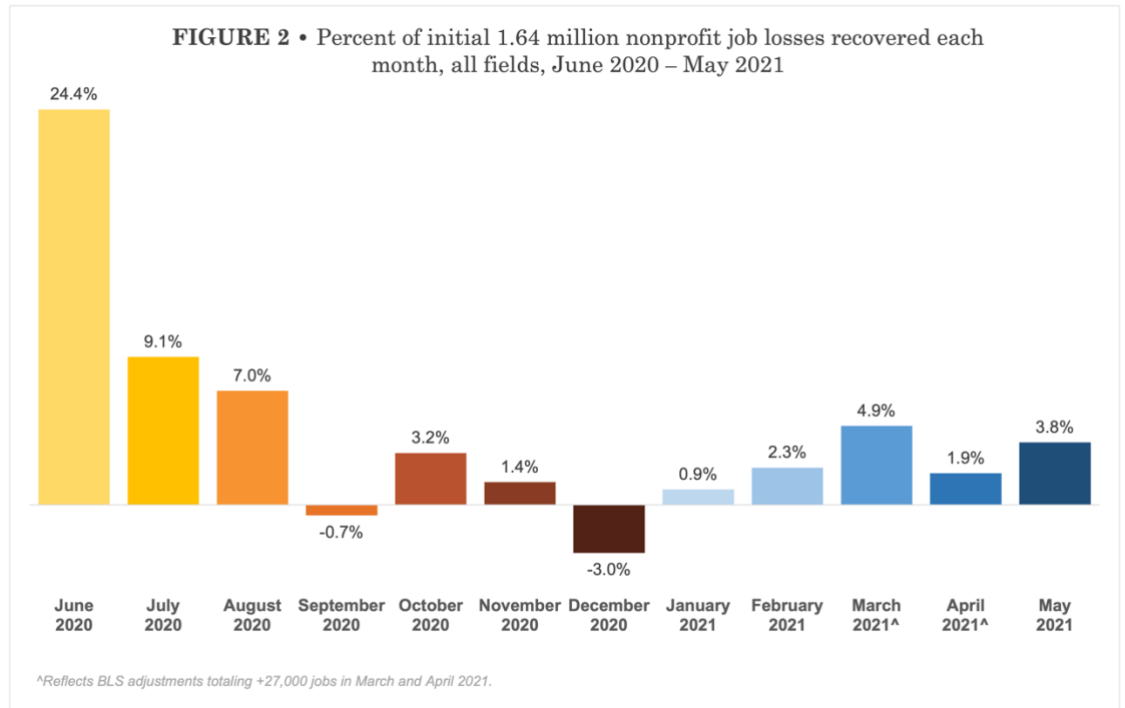
<sup>1</sup> Our [April update](#) found that, as of April 2021, nonprofit job losses stood at an estimated 811,315. However, BLS revisions for March and April resulted in a new estimate for April, which we have incorporated in Figure 1. BLS monthly revisions result from additional reports received from businesses and government agencies since the last published estimates and from the recalculation of seasonal factors. For more information, see: [U.S. Bureau of Labor Statistics May Employment Situation Report \(5/4/2021\)](#).

meanwhile, grew by 4.2%, boosting employment in this field by nearly 9,800 total jobs. The smallest growth relative to April was seen in religious, grantmaking, civic, professional, and similar organizations, which grew by only 1.4% during the month.

## PART 2: TRACKING THE RECOVERY OF NONPROFIT JOBS FROM MAY 2020'S LOW POINT

Prior to the onset of the COVID-19 pandemic, nonprofit institutions accounted for at least 12.5 million total jobs. As reported in our [2020 Nonprofit Employment Report](#), during the first three months of the pandemic (i.e., March, April, and May 2020), we conservatively estimated that nonprofits had lost 1.64 million of those jobs, reducing the nonprofit workforce by 13.2% as of May 2020. This section examines the progress made by nonprofits in recovering those lost jobs over the ensuing months.<sup>2</sup>

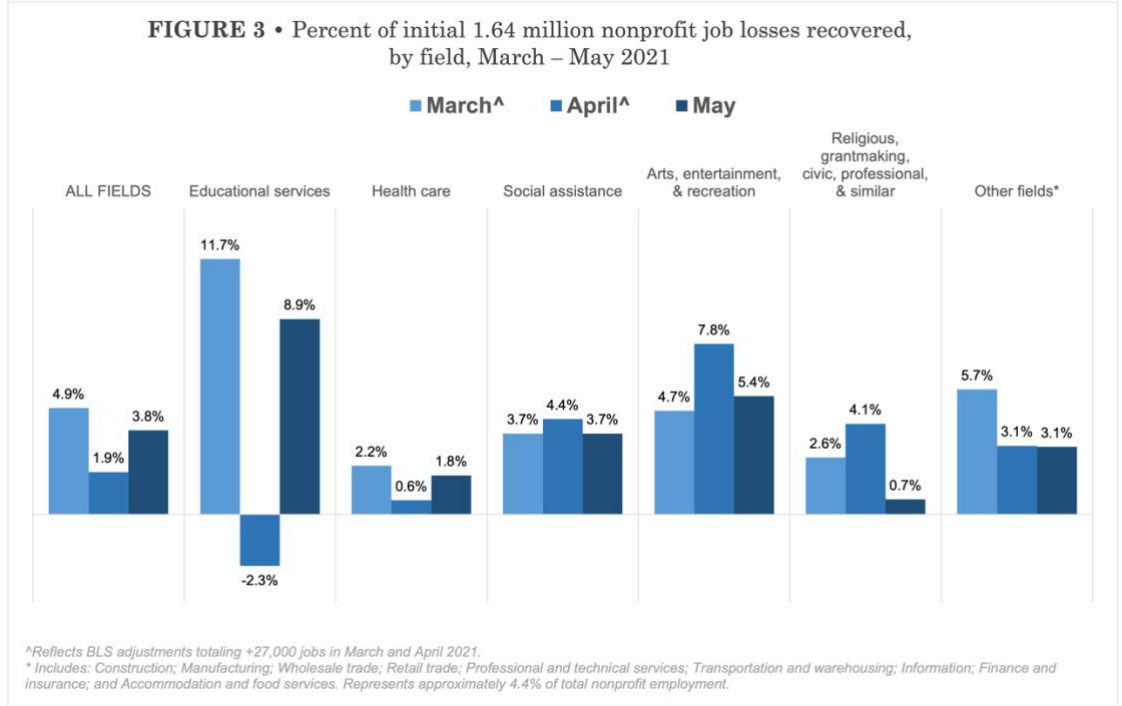
As shown in **Figure 2**, in June, July, and August, 2020, significant shares of the initial 1.64 million lost nonprofit jobs were recovered, regaining a combined 40.6% of these lost jobs. Beginning in September 2020, however, this recovery slowed significantly, with the months of September 2020-February 2021 seeing a combined recovery of only 4.2% overall. Fortunately, the Spring of 2021 has seen a stronger overall recovery, with March and April making up an additional nearly 7% of the losses and May's 63,000 recovered jobs representing a additional nearly 4% gain of the estimated 1.64 million jobs lost during the first three months of the pandemic. Thus, over the 12-month recovery period (i.e., June 2020-May 2021), nonprofits have recovered a combined 55.4% of the jobs lost as of May 2020.



<sup>2</sup> To estimate nonprofit job losses, we began with the latest available BLS data on nonprofit employment by field, which cover 2017, and calculated the nonprofit shares of total private employment by field as of this date. We then applied these shares to the monthly changes from pre-COVID (i.e., February 2020) levels in private employment by field as reported in the monthly BLS Employment Situation Reports to derive our estimates of monthly changes in nonprofit employment by field, such as those reflected in Figures 1 and 3 of this report. For more on these estimates, see: Salamon & Newhouse, "The 2020 Nonprofit Employment Report," *Nonprofit Economic Data Bulletin no. 48*, (Baltimore: Johns Hopkins Center for Civil Society Studies, June 2020), available at: [bit.ly/2020-NP-Emp-Rpt](https://bit.ly/2020-NP-Emp-Rpt)

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As shown in **Figure 3**, all fields of nonprofit activity saw gains over the pandemic lows in May 2021, although the rate of recovery varied significantly by field. The largest gains were seen in the education field, which regained nearly 9% of their initial losses during the month. The arts, entertainment, and recreation field continued a recent trend of relatively strong growth of 5.4% over its pandemic lows. During the past 3 months, this hard-hit field has thus recovered 18% of the jobs it lost during the onset of the pandemic. By contrast, social assistance organizations recovered a smaller 3.7% of previously lost jobs over the month, while both health care institutions and religious, grantmaking, civic, professional, and similar organizations saw relatively weak recoveries, at 1.8% and 0.7%, respectively.



Despite this recent growth, as of May 2021 the nonprofit workforce still remained down by over three-quarters of a million jobs compared to its estimated pre-pandemic level, as shown in **Figure 4**. These lost jobs include 24% of all workers in nonprofit arts and entertainment organizations; 11% of those in education; 9% in religious, grantmaking, and civic associations; 5.5% in nonprofit social service institutions; and 3.3% in health care.

**FIGURE 4 • Estimated nonprofit job losses, May 2021 vs. February 2020, by field**

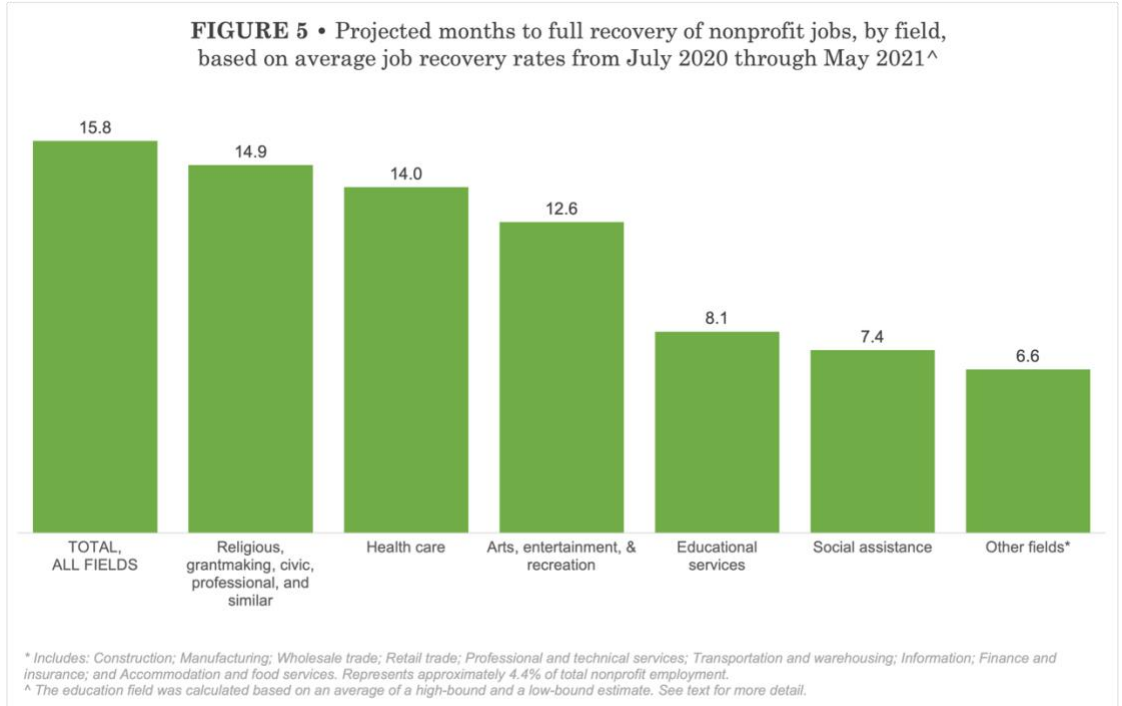
	Estimated number of jobs as of February 2020 <sup>o</sup>	Estimated nonprofit job losses, May 2021 <sup>^</sup> vs. February 2020	Percent of jobs lost, May 2021 <sup>^</sup> vs. February 2020
<b>Arts, entertainment, &amp; recreation</b>	355,965	-85,839	-24.1%
<b>Educational services</b>	2,003,634	-223,886	-11.2%
<b>Religious, grantmaking, civic, professional, &amp; similar</b>	818,562	-72,230	-8.8%
<b>Social assistance</b>	1,528,920	-84,650	-5.5%
<b>Other fields*</b>	555,421	-17,929	-3.2%
<b>Health care</b>	6,777,730	-221,474	-3.3%
<b>TOTAL, ALL FIELDS</b>	12,482,741	-732,869	-5.9%

<sup>o</sup> Based on 2017 BLS data, latest year available.  
<sup>^</sup> Reflects BLS adjustments totaling +27,000 jobs in March and April 2021.  
<sup>\*</sup> Includes: Construction; Manufacturing; Wholesale trade; Retail trade; Professional and technical services; Transportation and warehousing; Information; Finance and insurance; and Accommodation and food services. Totals ~4.4% of total nonprofit employment.

### PART 3: MONTHS TO RECOVERY AT RECENT RATES

Following the procedure laid out in our [December report](#), we have updated our estimates of the likely time to full recovery of nonprofit employment back to pre-pandemic levels. To do so, we assumed that the average rate of nonprofit job recovery over the previous months (July 2020 through May 2021) would prevail over the foreseeable future. With an estimated 732,869 nonprofit jobs still lost from February 2020 through the end of May, and an average of 46,304 nonprofit jobs recovered per month, this suggests it would take the sector **16 months—or 1.3 years—to return to its pre-COVID level of employment**, as shown in **Figure 5**. This estimate is a slight improvement over our April projection of 18 months.

Also shown in Figure 5 are the recovery rates of nonprofit employment in the various fields of nonprofit activity using the same approach, but with one notable exception—education—which had, prior to March 2021, seen only marginal month-over-month gains, with many months over the fall and winter seeing losses. Taking into account developments affecting this field—including the Biden Administration’s prioritization of school reopening, the push to speed up vaccinations for education workers, and most recently, the availability of vaccinations



for children 12 and older—we anticipated that this previous record of exceedingly slow improvement in this field would not hold. To account for these hopeful trends, we combined an upper-bound estimate based on the average job gains in this field over the full 12-month recovery period (i.e., June 2020-May 2021, for an average of 8,276 restored jobs per month), with a lower-bound estimate based on just the three months of June, July, and August,<sup>3</sup> which witnessed the first truncated effort to open schools and which saw an average of 46,773 jobs restored per month. Our combined estimate of these two projected growth paths yields a current estimate of just over 8 months until nonprofit education employment returns to its pre-COVID level, a significant improvement over our April estimate of 10 months. However, this field’s recovery continues to fluctuate significantly from month-to-month, and with the impending end of the 2020-2021 school year, it will bear watching.

### CONCLUSION

This spring quarter of 2021 has seen an overall positive, yet inconsistent, trend toward an accelerated recovery of nonprofit jobs. Following a particularly strong March and weak April, May’s return to a more rapid recovery rate is a hopeful sign. While it is too early to know whether the summer will see a continuation or acceleration of this recovery, the country’s continued vaccination campaign, resulting re-openings of particularly hard-hit nonprofit industries including arts venues, overall declining infection rates, and targeted support for nonprofits emerging from the recent Congressional recovery package provide a basis for optimism. At the same time, the slowing of vaccinations well below the “herd immunity” target level, and the stubborn emergence of new, more troublesome variants, make clear that continued vigilance will still be needed. This illustrates the continued urgent need for more frequent and timely releases of nonprofit employment and wage data by the Bureau of Labor Statistics.

<sup>3</sup> Despite relatively strong growth in this field over the past three months, the actual number of recovered jobs over this period remains significantly lower than that seen during June-August 2020, demonstrating the continued volatility in this sector. As such, we have chosen to continue the use of this earlier period as our low-bound estimate to calculate the time-to-recovery to account for the projected re-opening of schools going into the 2021-22 school year.

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**About the Johns Hopkins Nonprofit Economic Data Project (NED) | [link](#)**

Nonprofit organizations are facing increased pressures in states and localities throughout the United States, but the nonprofit sector's ability to respond to these pressures has been limited by a lack of timely information about how prevailing economic realities are affecting the sector. The Johns Hopkins Nonprofit Economic Data Project (NED) is helping to tackle this problem by charting economic trends in the nonprofit sector including how employment, wages, and finances have changed over time and in relation to other industries. Moreover, the project is able to analyze these data at the national, regional, state, and local levels, and to focus on particular subsectors—such as nursing homes, hospitals, home health centers, education, social services, and the arts. A collaboration between the Johns Hopkins Center for Civil Society Studies, state employment security agencies, the U.S. Bureau of Labor Statistics, and state nonprofit associations, the NED Project has thus far produced almost 50 state, county, and regional [Nonprofit Economic Data Bulletins](#) since its founding in 2001, yielding a vital resource for understanding the nonprofit sector.

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