



COVID-19 JOBS UPDATE, AUGUST 2021: Nonprofits add just 42,000 workers in August as job recovery slows

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Online at: <http://ccss.jhu.edu/august-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 August 2021, as reflected in the [August BLS Employment Situation Report](#). Following two strong months of recovery, August's BLS data reflected an overall slowing of job gains as the impact of the Delta variant was seen for the first time. During the month, the overall private, non-farm economy added just 243,000 jobs nationwide during the month. Of these added jobs, approximately 42,000 were in nonprofit institutions, with educational institutions again seeing the majority of these gains ahead of the new school year.

Part 1 of this report spotlights the changes in nonprofit employment in August 2021. Part 2 then details the recovery of nonprofit jobs over the past several months and notes where that leaves nonprofit employment as of August 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 based on the recovery record from January through August 2021.

PART 1: CHANGE IN NONPROFIT JOBS IN AUGUST 2021

As shown in **Figure 1**, following two strong months of gains, August brought a significant slowing in the recovery of nonprofit jobs, with a gain of just 42,000 workers compared to July 2021's total—representing a gain of 7% of the 607,000 jobs still lost as of July.¹

Of the major fields of nonprofit activity that we track, the educational field had the strongest showing during August, adding over 28,500 jobs—regaining 18% of the jobs missing in the field as of July. Religious, grantmaking, civic, professional, and similar organizations added over 5,000 total jobs, or 14% of the remaining lost jobs, while nonprofit arts, entertainment, and recreational organizations added an estimated 5,500 jobs in August, recovering over 8% of missing jobs during the month. Employment in the social assistance field, meanwhile, remained largely stagnant, adding just over 100 jobs in August.

FIGURE 1 • Estimated changes in nonprofit jobs, August vs. July 2021, by field

	Nonprofit jobs lost as of July 2021 [^] vs. February 2020	Change in nonprofit jobs in August vs. July 2021 [^]	Percent change in nonprofit jobs in August vs. July 2021 [^]
Educational services	-157,060	28,518	18.2%
Religious, grantmaking, civic, professional, & similar	-37,385	5,140	13.7%
Arts, entertainment, & recreation	-67,310	5,509	8.2%
Social assistance	-75,032	123	0.2%
Health care	-221,734	-2,129	-1.0%
Other fields*	-10,654	3,121	29.3%
TOTAL, ALL FIELDS	-606,895	42,131	6.9%

[^] Reflects BLS adjustments for June and July 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.

¹ Our [July update](#) found that, as of July 2021, nonprofit job losses stood at an estimated 614,866. However, BLS routine revisions for June and July resulted in a new estimate for June, 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 August Employment Situation Report \(9/3/2021\)](#).

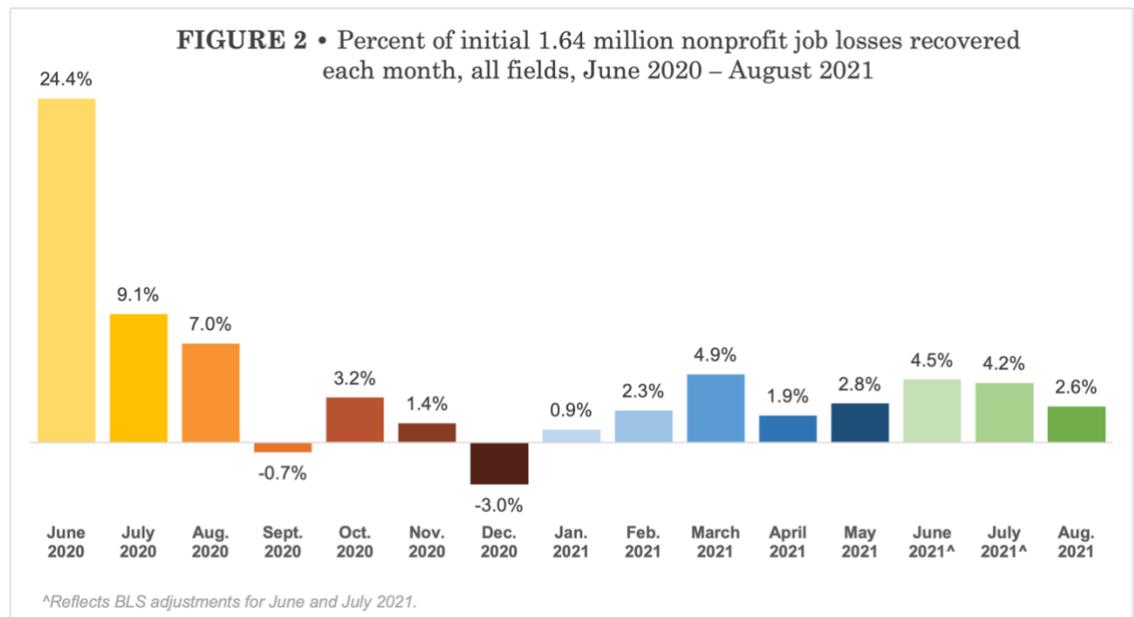
Employment in nonprofit health care institutions, meanwhile declined over 2,000 jobs in August. These job losses were concentrated in nursing and residential care facilities, which shed over 2,400 workers during the month, continuing a now 15-month trend of increasing job losses in these institutions. Overall, the nursing and residential care field is estimated to be down by over 131,000 jobs vs. pre-pandemic staffing levels—a loss representing over 11% of its pre-pandemic workforce.

PART 2: TRACKING THE RECOVERY OF NONPROFIT JOBS FROM INITIAL ESTIMATES OF PANDEMIC REDUCTIONS

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), nonprofits had lost a conservatively estimated 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.²

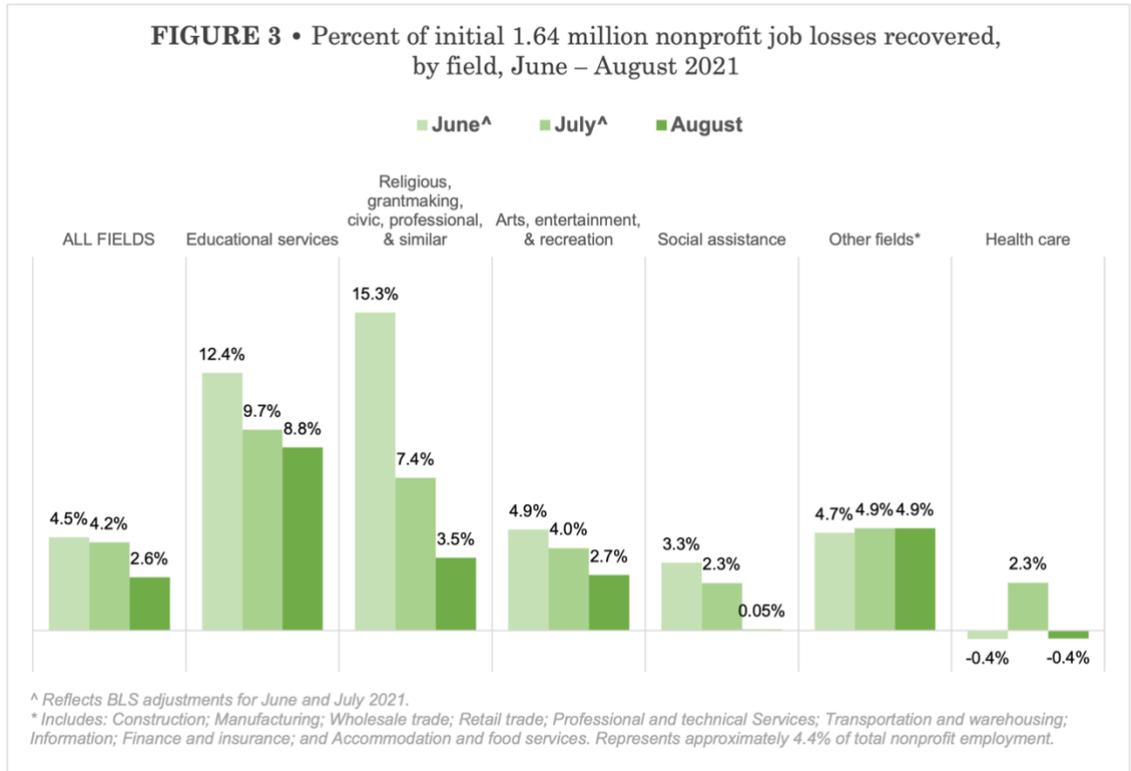
As shown in Figure 2, in June, July, and August, 2020, significant shares of the initial 1.64 million lost nonprofit jobs were recovered, with nonprofits regaining a combined 40.6% of these lost jobs during that period. Beginning in September 2020, however, this recovery slowed significantly, with the months of September 2020-February 2021 seeing a combined recovery of only 4.2% overall.

Fortunately, March 2021 began an overall stronger recovery trend, with March, April, and May making up an additional 9.6% of the losses, and June and July's adjusted 143,500 recovered jobs representing an additional 8.7% recovery. August's much more modest recovery of 42,000 recovered jobs represented a smaller—but still positive—2.6% recovery. Thus, over the full recovery period (i.e., June 2020-August 2021), nonprofits have recovered a combined 65.6% of the estimated 1.64 million jobs lost during the first three months of the pandemic.



² 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

As shown in **Figure 3**, with the exception of the health care field, all fields of nonprofit activity saw gains over the pandemic lows in August 2021, although the rate of recovery varied significantly by field. The largest August gains were seen in the educational field, which recovered 8.8% of its initial losses during the month. Religious, grantmaking, civic, professional, and similar organizations regained 3.5% of their initial losses in August 2021; and the arts, entertainment, and recreation field continued its slow but steady recovery, reversing an additional 2.7% of its initial pandemic workforce losses during the month. The workforce in social assistance organizations was little changed in August, while the health care field took a step back in its recovery.



As of August 2021, the nonprofit workforce still remained nearly 565,000 jobs smaller its estimated pre-pandemic level, leaving employment in the sector 4.5% smaller than it was before the onset of the pandemic, as shown in **Figure 4**. These missing jobs include 17.4% of all workers in nonprofit arts and entertainment organizations; 6.4% of those in education; 5% of workers in nonprofit social service institutions; 4% of workers in religious, grantmaking, and civic associations; and 3.3% of workers in health care institutions.

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

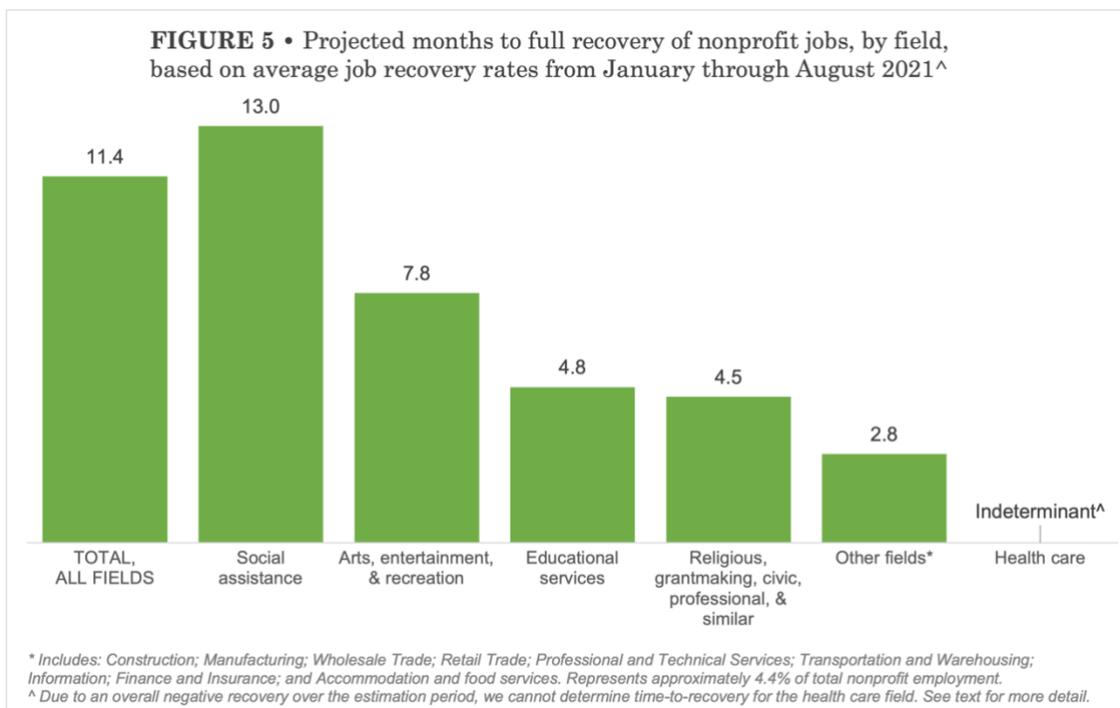
	Estimated number of jobs as of February 2020 ^o	Estimated nonprofit job losses, August 2021 [^] vs. February 2020	Percent of jobs lost, August 2021 [^] vs. February 2020
Arts, entertainment, & recreation	355,965	-61,801	-17.4%
Educational services	2,003,634	-128,543	-6.4%
Social assistance	1,528,920	-74,909	-4.9%
Religious, grantmaking, civic, professional, & similar	818,562	-32,245	-3.9%
Health care	6,777,730	-223,863	-3.3%
Other fields*	555,421	-7,533	-1.4%
TOTAL, ALL FIELDS	12,482,741	-564,763	-4.5%

^o Based on 2017 BLS data, latest year available.
[^] Reflects BLS adjustments for June and July 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.

PART 3: MONTHS TO RECOVERY AT RECENT RATES

Following the process developed for our [June 2021 report](#), we have updated our estimates of the likely time to full recovery of nonprofit employment back to pre-pandemic levels to take into account both the June 2021 revisions and the July 2021 gains. To do so, we assumed that the average rate of nonprofit job recovery from January through July 2021 would prevail moving forward. With an estimated 564,768 nonprofit jobs still lost from February 2020 through the end of August, and an average of 49,525 nonprofit jobs recovered per month over this 2021 period, this suggests it would take the sector **11.4 months—or just under 1 year—to return to its pre-COVID level of employment**, as shown in **Figure 5**. This estimate is consistent with our July prediction, with the sector on track to full recovery around July 2022.

Also shown in Figure 5 are the recovery rates of nonprofit employment in the various fields of nonprofit activity using the same approach. However, as reflected in the figure, we are unable to estimate a time-to-full-recovery for the health care field, which has seen a loss of approximately 260 total jobs since January 2021. As such, we have no reliable basis for estimating its future recovery.



CONCLUSION

August’s jobs data clearly reflected the impact of the rapid increase in COVID-19 cases occasioned by the Delta variant, resulting in a much slower increase in jobs in the overall economy and therefore in the nonprofit sector than we saw over the previous two months. While this was **not unexpected**, the concerning loss of jobs in the health care sector will bear careful monitoring. In addition, while both the educational and arts sectors continued their recent recovery trends in August, given the continuing impacts of the Delta variant, the return to in-person schooling, and the coming colder weather, it is difficult to predict whether these trends—and the sector’s overall pace of recovery—will hold in the months ahead.

On a personal note, this month’s report is the first to be released following the [passing of Center Director Lester Salamon](#). Dr. Salamon’s frequent and insistent refrain of “**what isn’t counted doesn’t count**” will continue to inspire us as we endeavor to continue our work to ensure that the impact of the current crisis on his beloved nonprofit sector is documented.

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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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