

U.S. Municipal Bond Market

State and Local Employment Down For Fourth Straight Month in November

- State and local governments shed another -27k jobs in November 2021, per Bureau of Labor Statistics data released today.
- Overall, state and local government jobs peaked at 19.972 million before COVID-19 and in November 2021 they remain nearly 1 million workers shy of that level at 19.021 million.

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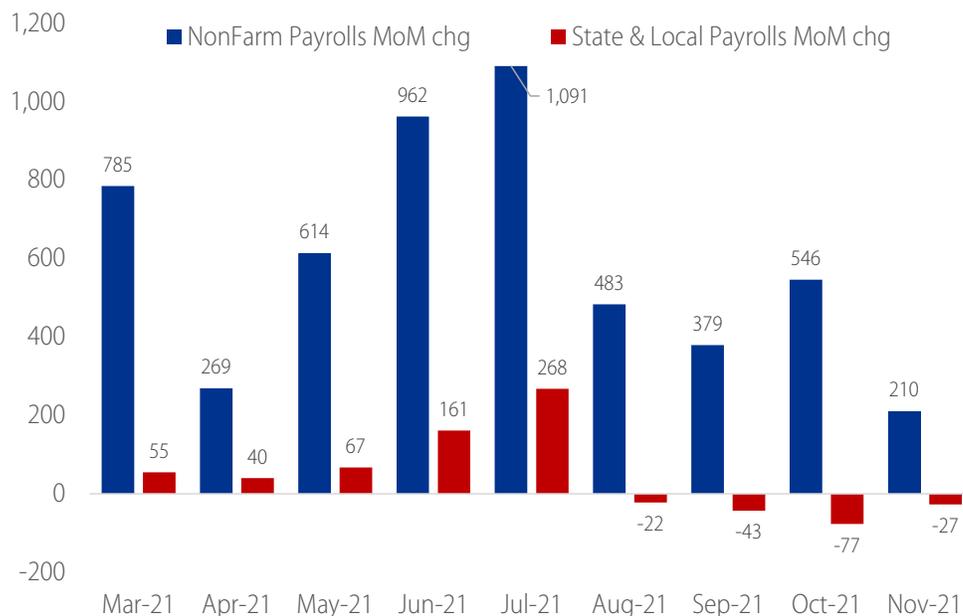
Lower Than Expected Job Growth, State and Local Change Still Negative

The U.S. labor market experienced a lower-than-expected amount of job growth in November as monthly nonfarm payrolls increasing by only +210K versus the consensus estimate of +573K. This could be a notable result especially considering it is unlikely the recently discovered Omicron variant impacted November's numbers. Early assessments of November's nonfarm payroll number seem to indicate that an upward revision is more than likely.

State and local government jobs fell by another -27k in November. This makes it four straight months where the broader labor market gained but state and local governments shed workers. We indicated last month that retirements in the sector were likely building. This very well could continue, and it is possible this phenomenon strengthens in the coming months as the Omicron variant reminds folks that the COVID-19 uncertainty is not near over.

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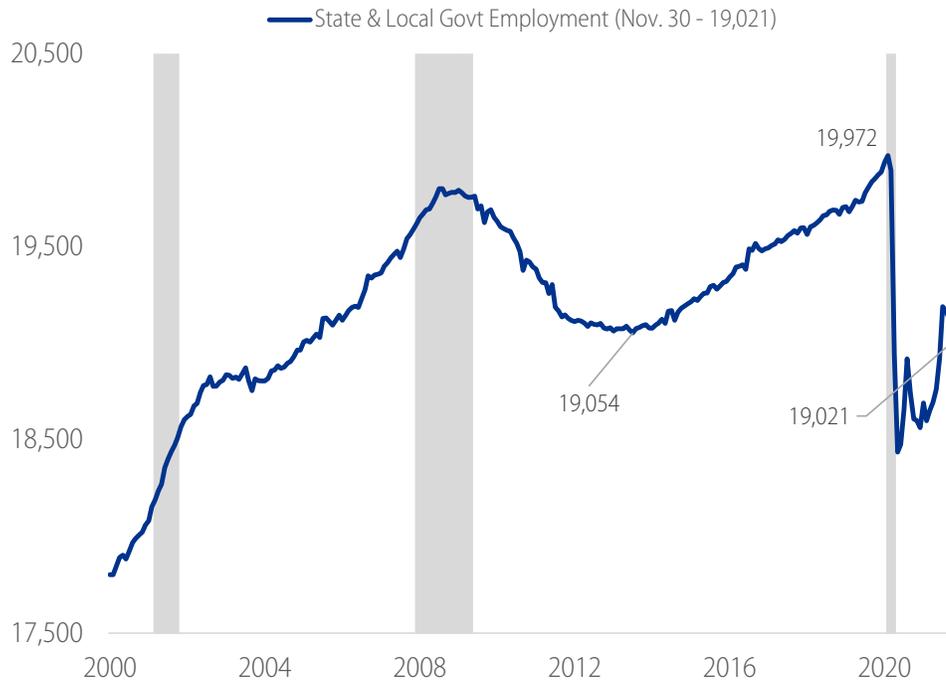
Again, State and Local Government Jobs Lower



Source: Bureau of Labor Statistics and HilltopSecurities.

Overall, state and local government jobs peaked at 19.972 million before COVID-19 and in November they remain almost 1 million workers shy of that level at 19.021 million.

State and Local Government Jobs Still 951k Below Pre-COVID Level (in thousands)



Source: Bureau of Labor Statistics and HilltopSecurities.

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- [Our 2022 Municipal Bond Issuance Forecast, Nov. 22, 2021](#)
- [Employee Retirement – An Unexpected But Very Real Obstacle for State & Local Governments, Nov. 18, 2021](#)
- [House Passed \\$1.2 Trillion Infrastructure Plan on Friday, Boosting What We Deemed \(in March\) as the Golden Age of Public Finance, Nov. 8, 2021](#)

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