

Trump-Era Tariffs and Uncertainty Are Weakening the Job Market and Hollowing Out the Middle Class

As the President's tariffs continue to fuel inflation and uncertainty, Americans are facing a weakening job market, where fewer companies are hiring and more people are unemployed. Meanwhile, [costs](#) for families continue to rise.

This new Joint Economic Committee – Minority analysis of the job market finds:

- **The middle class is further hollowing out under the Trump administration**, as industries that typically hire for middle income jobs – including jobs in manufacturing and construction – saw declines through August.
- In the months following the President's April 2nd "Liberation Day" tariff announcements, job growth fell dramatically, and there were 13,000 job losses in June.
- **The number of people filing for unemployment benefits for multiple weeks reached a level in April 2025 not seen since late 2021**, and has remained elevated since mid-May.

Middle class industries are seeing major job losses under the Trump administration

The Joint Economic Committee – Minority finds that jobs in middle-income industries were hit especially hard in August. As shown below, **jobs in goods-producing industries – including manufacturing, construction, mining and logging – saw a total decline of 25,000 jobs from July to August**. As independent research and reporting have shown, each of these industries is [particularly](#) linked to global [trade](#) and [vulnerable](#) to [tariffs](#) and economic [uncertainty](#).

Middle Class Jobs Were Hit Hard in August		
Middle-Income Job Type	Change in Number of Jobs, July to August 2025	Average Hourly Earnings
Manufacturing Jobs	-12,000	\$35.50/ hour
Wholesale Trade Jobs	-11,700	\$39/ hour
Construction Jobs	-7,000	\$39.98/ hour
Mining and Logging Jobs	-6,000	\$40.53/ hour
Source: JEC - Minority analysis of data for all employees on private nonfarm payrolls by industry sector, seasonally adjusted, from the United States Bureau of Labor Statistics.		

The President's policies are also threatening U.S. competitiveness in science and technology. **Scientific research and development services and computer systems design were the two highest-earning industries** that saw a decline in jobs.

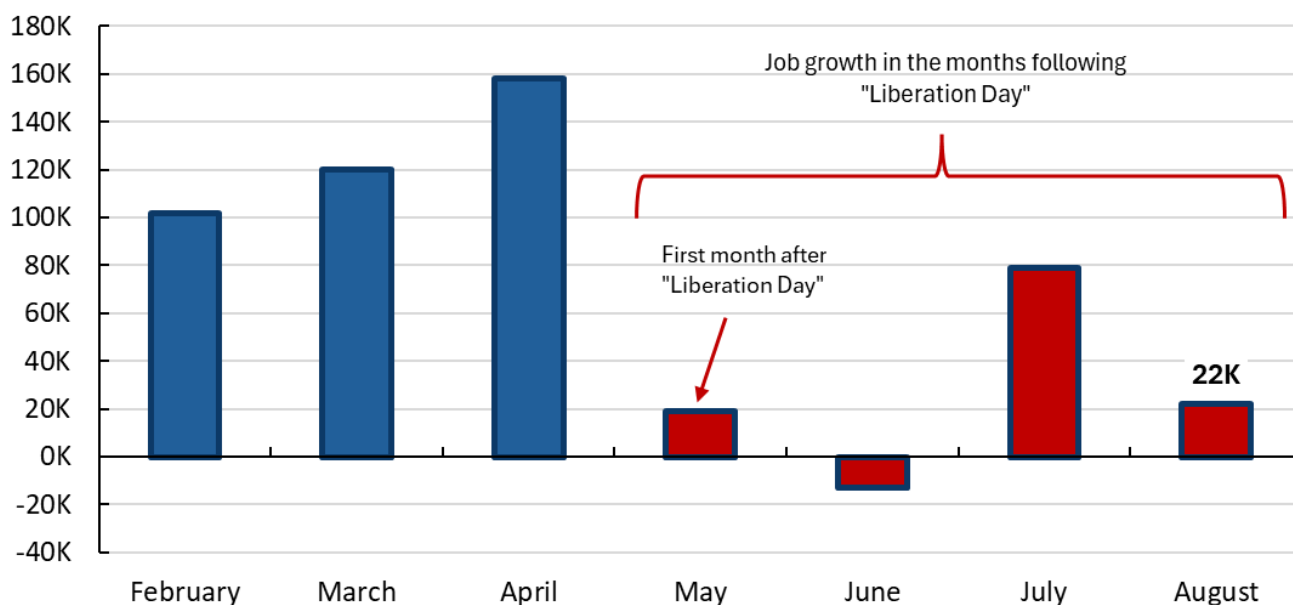
The U.S. labor market is weakening following Trump's tariffs

The president's tariffs and resulting economic uncertainty have contributed to new lows in the U.S. job market. Data show that **the economy [lost](#) 13,000 jobs in June**, and **there has been weak job growth every full month since the President's reciprocal tariffs were announced in April**. The JEC – Minority found that between February and April 2025, the economy added an average of 127,000 jobs per month. The average job growth for each full month following the President's widescale tariff announcements was just 27,000 – **100,000 fewer jobs added to the economy compared to the monthly average prior to Trump's reciprocal tariff announcements**.¹ Between April and May alone, the number of jobs added dropped from 158,000 to just 19,000.

Companies across the U.S. [have pointed](#) to tariffs and economic uncertainty from Trump's trade policy as a reason to freeze hiring, and research shows that industries most exposed to tariffs are laying off more workers. The graph below illustrates the decline in job growth since the President first announced his widespread tariffs.

Job Growth Slowed Following Trump's Reciprocal Tariff Announcements

Monthly change in total nonfarm employment, seasonally adjusted, February 2025 through August 2025



Source: United States Bureau of Labor Statistics



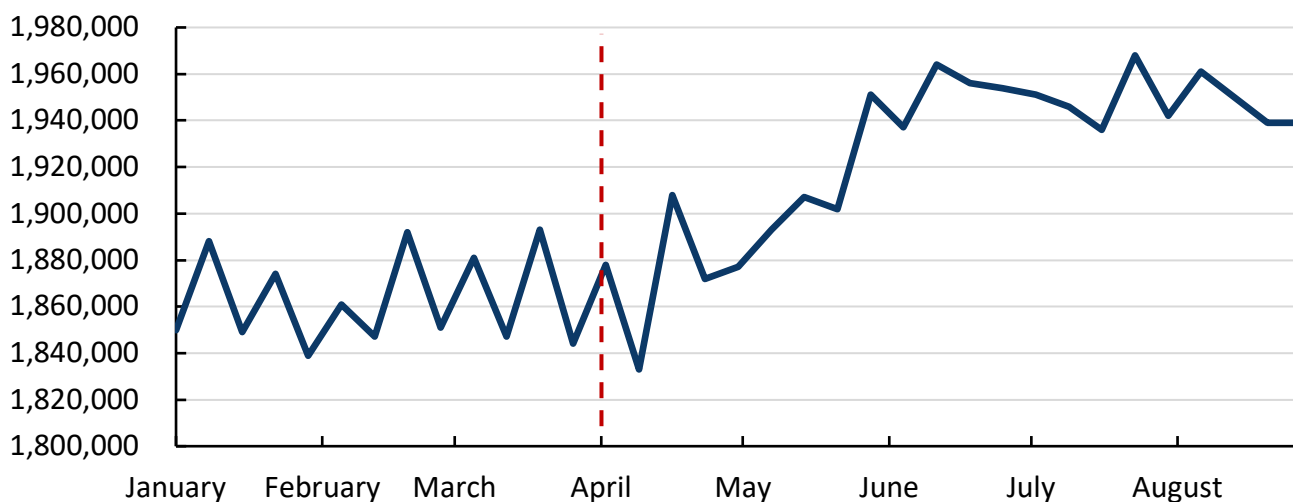
¹ Though this calculation uses the officially reported data from the U.S. Bureau of Labor Statistics, recent preliminary [revisions](#) suggest that job growth in February and March 2025 could eventually be revised down. However, even when using a rough estimate of this future revision, JEC – Minority analysis finds that average monthly job growth dropped by about 50,000 following Trump's tariff announcements.

The number of people filing for continued unemployment relief is reaching highs not seen since the pandemic

“Continued unemployment insurance claims” counts all workers filing for unemployment in a given week who also filed in the previous week. The number of people filing these continued claims for unemployment relief in 2025 has been elevated through August, above levels from the same months of the previous year. **During the week of April 19 – just over two weeks after so-called “Liberation Day” – the number of people filing continued unemployment first passed 1.9 million, a level not seen since the U.S. was emerging from the pandemic in November 2021.** After slightly dropping at the end of April, the number of people filing for continued unemployment has remained elevated above 1.9 million since mid-May 2025.

Continued unemployment claims increased in the weeks following "Liberation Day", and remain elevated above 1.9 million

Weekly number of continued unemployment insurance claims in 2025, seasonally adjusted



Source: United States Department of Labor



Current tariff policy and economic uncertainty continue to cost American workers, families, and businesses

In the face of an increasingly difficult job market, families continue to face high prices. For instance, earlier this year the Joint Economic Committee – Minority found that between April 1 and June 9, new parents in the United States paid 24 percent [higher prices](#) for key goods for new babies. At the same time, consumers still face a 2.9 percent inflation rate, which may increase even more given that tariffs continue to raise prices for [producers](#) and [consumers](#). These high prices may be particularly difficult for families to grapple with amidst the job losses detailed in this report.