

# employment situation

Frontline Analysis by the MRINetwork Team of Global Search Experts

## Employment Summary for April 2013

The United States economy added 165,000 new jobs in April, as the unemployment rate dropped again to a new post-recession low of 7.5 percent, according to the Bureau of Labor Statistics. The job growth exceeded analysts' expectations that the economy would add approximately 140,000 jobs during the time period. Further, jobs figures have been revised sharply up for February and March by a combined 114,000. February's adjusted total now stands at 332,000 new positions added - the largest one-month increase since May 2010. March's employment numbers were revised up to 138,000, 50,000 more than originally reported.

The strongest performing industries in April included business and professional services, restaurants, retail trade and healthcare, which added 165,000, 38,000, 29,000 and 19,000 jobs, respectively. The public sector was the largest drag on national employment, as federal, state and local governments cut 11,000 jobs in April as the effects of the sequester continued to be felt.

Educational attainment remained an important factor for employment prospects. The unemployment rate among those who only had a high school degree was 7.4 percent, whereas workers with some college or an associate's degree had a rate of only 6.4 percent. Employees with a bachelor's degree fared the best, with unemployment rates almost half the national average at 3.9 percent.

Fewer workers dropped out of the labor market during April, as opposed to the previous month when the 0.1 percent drop in the unemployment rate was largely attributed to discouraged workers - those who are

available to work but who have stopped looking for work because they believe there are no positions available for them. They do not count toward unemployment figures because, like other potential workers who are marginally attached to the labor force, they have not sought employment during the last four weeks. There were 2.3 million marginally attached workers in April, 835,000 of which were classified as discouraged. Though the

marginal attachment rate was almost unchanged year-to-year, the number of discouraged workers declined by 133,000 from the previous April. The remaining marginally attached individuals had discontinued their job search for reasons such as school attendance or family responsibilities

Though the numbers are widely regarded as a positive sign and fears of a spring slow-down have been relieved, finding full-time work remains difficult for many in the workforce. The number of people classified as involuntary part-time workers increased by 278,000 to 7.9 million nationwide. Involuntary part-time workers are those who cannot find full-time work or who have had their hours cut down. The process to

replace jobs lost during the Great Recessions remains gradual, as the economy lost 8.6 million positions during the economic downturn, 6.2 million of which have returned.

However, the stronger than expected jobs numbers in April, combined with the drastic upward revisions in February and March, indicate that the economy is recovering and beginning to gain steam. The recovery is particularly evident for workers with a four year degree, as their unemployment rates continue to come in 3.5 percent below the national average.

**Chart 1. Unemployment rate, seasonally adjusted, April 2011 – April 2013**



**Chart 2. Nonfarm payroll employment over-the-month change, seasonally adjusted, April 2011 – April 2013**

