

# Labor Market Conditions

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## LABOR MARKET CONDITIONS AND ECONOMIC OUTLOOK

November, 2010

“The private sector seems only to be able to add temporary, health care, and restaurant jobs, but little else. The duration of unemployment remains at near record highs and the unemployment rates for teens and young adults remain at depression era levels. Layoffs have subsided, but meaningful job creation has not yet kicked in.”

- The private sector added just 50,000 jobs in November as the rate of job creation fell back to near its lowest level for the year.
- All of the job growth in November came from temporary help and employment services (45,000), health care (19,000), restaurants and bars (12,000), and couriers and messengers (11,000) who have been hired to deliver all those online purchases for the holidays.
- Most other industries were relatively unchanged, with retail trade (-28,000), manufacturing (-13,000) and local government (-14,000) having the most notable declines. The fall in general merchandise store jobs reflects a lack of holiday job growth for that sector.
- The only good news in the report was the decline in the number of people working part-time for economic reasons (-182,000). However, at 9.0 million it remains near its record high and stuck in a range that has prevailed for the past 22 months.
- The unemployment rate increased to 9.8%, however, without the unprecedented drop in the labor force since June 2009 the unemployment rate would be 10.3%.
- Counting the *underemployed*, the unemployment rate remained at 17.0% in November.
- The unemployment rate has been 9.5% or more for a record 16 straight months, exceeding the 13 month stretch during the 1982-83 recession.
- The average duration of unemployment remains at almost 34 weeks.
- Since the recession ended in June 2009, the private-sector has added just 203,000 jobs, the labor force participation rate has fallen to a 26 year low, and the employment rate has fallen to a level not seen since 1983.
- The latest outlook from the National Association for Business Economics forecasts monthly job gains to average less than 150,000 until the latter half of 2011 with the unemployment rate easing only slightly to 9.2% by the end of next year.

