

BEYOND THE HEADLINES

At a Glance: Jobs, Workers & the Economy

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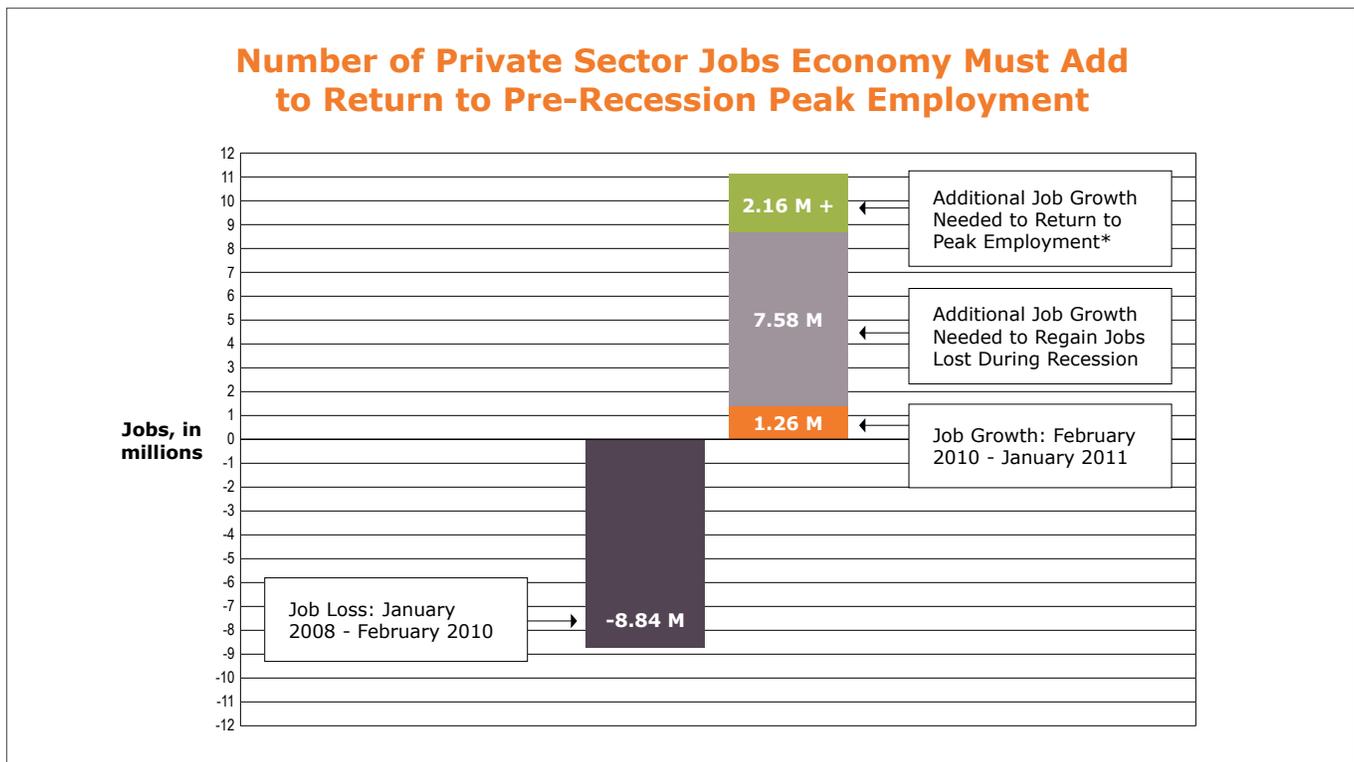


MARCH 2011

FOCUS: U.S. DATA

The Great Recession: Taking Stock of Jobs Gained, Jobs Lost

Reports point to continued signs of life in the job market as the U.S. economy gained another 192,000 jobs in February 2011, bringing the total to nearly 1.3 million jobs gained over the past year since peak unemployment in February 2010. Let's look beyond the numbers:

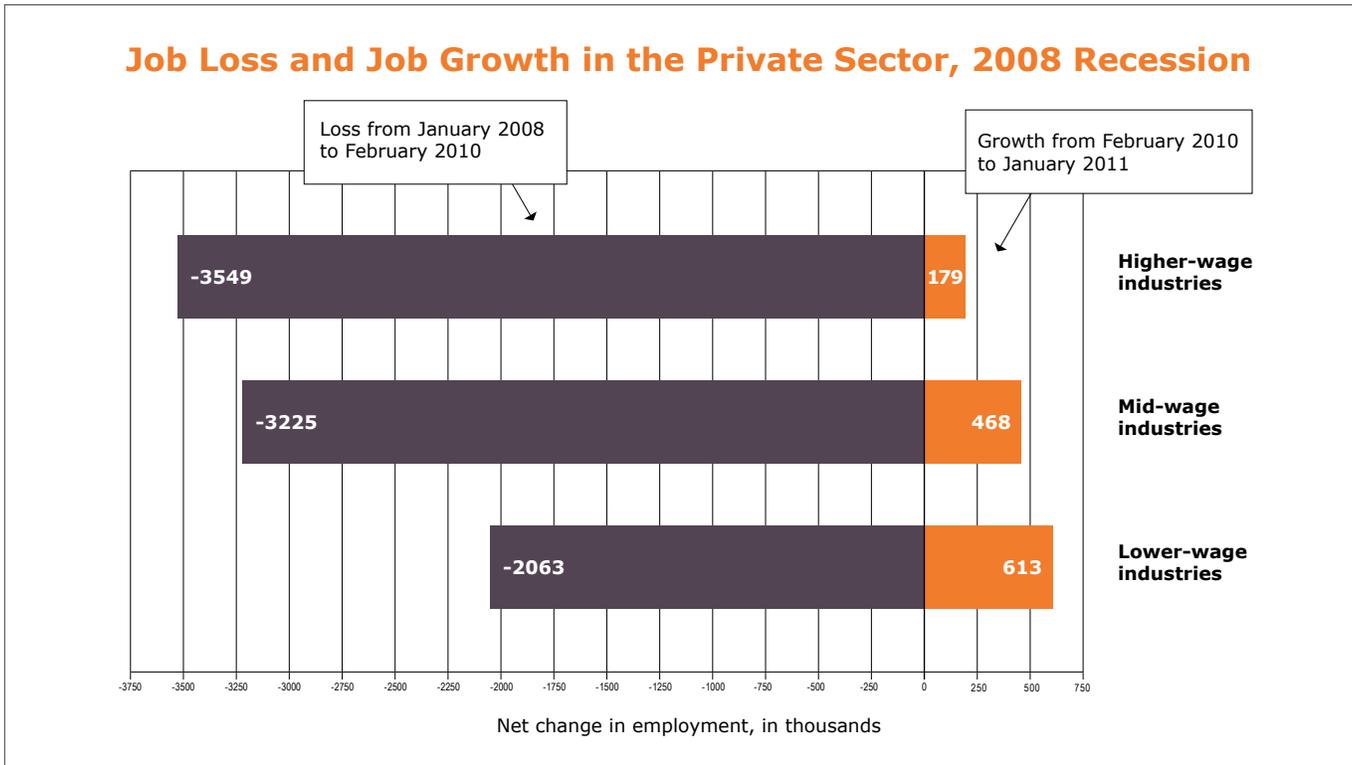


The above chart shows that during the Great Recession, the U.S. lost **8.84 million private sector jobs** from peak employment in January 2008 to peak unemployment in February 2010. From February 2010 through January 2011, the economy gained back **1.26 million jobs**.

This means the economy must regain **7.58 million jobs** to make up the number of jobs lost. *More importantly, the economy must regain roughly **10 million jobs** to make up for the number of jobs lost *plus* account for new

entrants into the labor market due to normal population growth. This would return us to peak employment (the 5% unemployment rate that the U.S. economy experienced in January 2008 and for roughly a generation prior to that time).

It is estimated that we need to produce 1.5 million new jobs per year (which is more than were added during the past year) simply to keep pace with population growth, let alone dig ourselves out of the hole created by the Great Recession.



This chart was adapted from National Employment Law Project’s February 23, 2011 Data Brief: *A Year of Unbalanced Growth: Industries, wages, and the First 12 Months After the Great Recession*. See <http://www.nelp.org/page/-/Justice/2011/UnbalancedGrowthFeb2011.pdf?nocdn=1>

The above chart indicates the **type** (by wage) of jobs being regained post-Great Recession, from peak unemployment in February 2010 through January 2011. The trend—while not necessarily a long-term one – is thus far not promising.

Of the 8.84 million jobs lost between January 2008 and February 2010, the majority were in high- and middle-wage industries, such as Construction, Manufacturing, Information and Finance.

- 40% were in higher-wage industries
- 37% were in middle-wage industries
- 23% were in lower-wage industries

Yet of the 1.26 million jobs regained so far, many more are in lower-wage industries, such as Retail, Administrative Support and Ambulatory Healthcare, and many fewer in high-wage industries.

- 14% were in higher-wage industries
- 37% were in middle-wage industries
- 49% were in lower-wage industries

BEYOND THE HEADLINES: Policy & Labor Market Updates for Those Working to Help Low-Income and Low-Skill Individuals Advance through Education, Training & Living-Wage Jobs

About Seattle Jobs Initiative

Seattle Jobs Initiative creates opportunities for students, workers and business to succeed by helping education and job training programs meeting the demands of a new economy. We find and apply solutions for people to gain the skills they need for good jobs that create prosperity for all in today's marketplace.

Supported by the City of Seattle Office of Economic Development

Contact Information

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