

Jobs Picture – July 2011

Employment and Unemployment Stats at a Glance

Official unemployment rate	9.1%
"Real" unemployment rate	16.1%
Number unemployed	13.9 million
Number unemployed more than 6 months	6.2 million
Average duration of unemployment	40.4 weeks
Jobs deficit: jobs needed for full employment	12.2 million
Job growth in July	+117,000

"Real" unemployment includes people working part-time for economic reasons and workers who have searched for work recently and are available to work, but are no longer considered officially unemployed because they are not currently looking for work. All figures are adjusted for seasonal variation.

- The best that can be said about July's employment report is that it could have been worse. Job growth went from a standstill to a crawl, and the unemployment rate edged down slightly. With consumers still cutting back on their spending, state and local governments slashing their budgets and the federal government moving into austerity mode, the prospect of a "double dip" back into recession is frighteningly real.
- The extent of long-term unemployment is staggering. In July, the *average* unemployed worker had been jobless for more than 40 weeks. That's the highest figure ever recorded; it's nearly twice as long as the average spell of unemployment during the depths of the 1980s recession.
- With extended unemployment benefits set to expire at the end of the year, the long-term unemployed are balanced on the edge of an economic cliff with no safety net. That's a disaster in the making: not only for the unemployed and their families, but also for the broader economy, which will lose the consumer spending these benefits have supported. According to the Economic Policy Institute, letting extended benefits lapse will cost more than half a million jobs as lower spending by the unemployed works its way through the economy.
- The jobs deficit – the number of jobs needed to return the country to pre-recession employment levels – was 12.2 million in July. Reducing the unemployment rate to 5 percent (its December 2007 level) within 3 years would require the creation of roughly 463,000 jobs per month. The 117,000 jobs added in July are not even enough to keep up with average growth in the labor force.

For the full employment situation release, go to <http://stats.bls.gov/news.release/empsit.toc.htm>
August data will be released Friday, September 2.