

# ***PERSONALLY SPEAKING***

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## **NOVEMBER'S JOBLESS RATE: A CAUTIONARY NOTE**

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The Labor Department report on employment and unemployment in November has been greeted with considerable optimism for reasons over and above the drop in overall joblessness to 10.0 percent. There have been improvements in the unemployment rates for adult men and women, teenagers, whites, blacks, and Hispanics. The number of persons employed rose by 227,000 between October and November while the number unemployed fell by 325,000.

Even so, there is much in the report that urges caution. Consider the following November jobless rates:

**Adult men: 10.5 percent**

**Full-time workers: 11.0 percent**

**Women who maintain families: 11.4 percent**

**20-24 year old women: 13.4 percent**

**Persons with less than a high-school diploma: 15.0 percent**

**Adult black men: 16.9 percent**

**20-24 year old men: 18.3 percent**

**Construction industry workers: 19.4 percent**

**Teenagers: 26.7 percent**

**Black teenagers: 49.4 percent**

In November there were 7.4 million *fewer* persons working at full-time jobs than one year earlier. Over the same period, there were 1.8 million *more* persons employed in part-time work.

There were 100,000 *fewer* adult men employed in November than one month earlier.

Among persons with a bachelor's degree or higher, there were 341,000 *fewer* persons employed in November than in October.

An estimated 2.8 million persons who were classified as not in the labor force in November and therefore not included in the employment/unemployment figures for that month were counted as unemployed in October.

A total of 2.3 million persons who were counted as unemployed in November were classified as employed in October.

Counted among the 227,000 additional employed persons in November were 165,000 who could find only part-time work.

The largest October-to-November increase in nonfarm payrolls was 52,400 for *temporary help services*.

Due to severe budget problems, the U.S. Postal Service has trimmed payrolls by 49,300 since November 2008.

Over the last 12 months, the number of persons out-of-work for 27 weeks or more has increased by 167 percent.

Since November 2008, there has been an increase of 3 million in the number of persons classified as not in the labor force and therefore do not enter into the calculation of the unemployment rate.

Clearly there are vast differences in labor market experiences across the U.S. population which are hidden behind the 10.0 percent jobless rate for the entire labor force. “A rising tide lifts all boats” which has been used for years to describe the impact of improving economic conditions is a tattered and worn cliché that simply does not apply in a mature economy facing enormous global challenges. Though less affirmative than the old cliché, “a rising tide lifts some boats but leaves others still floundering” provides a much more realistic representation of economic conditions today and warns us that the recovery ahead is likely to leave some Americans struggling largely unnoticed just to keep from being swamped by choppy economic seas.

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