



JOINT ECONOMIC COMMITTEE
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JULY'S EMPLOYMENT FIGURES RAISE CONCERNS FOR THE STRENGTH OF U.S. ECONOMIC EXPANSION

Schumer: Administration Must Make Job Growth a Higher Priority

Washington, D.C. – **U.S. Senator Charles E. Schumer**, Chairman of the Joint Economic Committee, responded to new jobs numbers from the Bureau of Labor Statistics which indicated that the unemployment rate rose 0.1 percentage points to 4.6 percent in July, and only 92,000 total payroll jobs were created. Private-sector payrolls grew by 120,000 jobs after gaining only 107,000 jobs in June. Overall job creation in May and June was revised down slightly from earlier estimates.

“Anytime we see new jobs being created that is a good thing. But job growth below expectations will not help American families get ahead, and poses significant challenges for America’s economic growth and competitiveness,” Schumer said. **“The uptick in the unemployment rate, downward revisions to jobs created in May and June, combined with the ongoing subprime lending crisis, should spur the administration into more action and less cheerleading. This country needs more high-paying jobs, a plan to slow the housing market slump, and real efforts to shrink the widening trade and budget deficits.”**

Highlights of today’s employment figures:

- The unemployment rate rose 0.1 percentage point to 4.6 percent in July, and 92,000 total payroll jobs were created.
- Growth in payroll employment has been modest by the standards of past economic recoveries. Payrolls have grown by 1.4 percent over the past year, and the 12-month pace has declined since the start of last year. By comparison, at the same point in the 1990s recovery, 12-month growth in payrolls was 2.3 percent and rising.

- Many labor market indicators remain weaker than they were at the start of the 2001 recession in March 2001.
 1. The labor force participation rate is 1.1 percentage points lower than when the recession began and the fraction of the working-age population with a job is 1.3 percentage points lower.
 2. Nearly one in every five unemployed people – 1.3 million Americans – have been jobless for more than 26 weeks, the maximum number of weeks for receiving regular unemployment insurance benefits.
- Overall, there are 7.1 million unemployed Americans, and 4.8 million additional workers who want a job but are not counted among the unemployed (including nearly 1.4 million who have searched for work enough to be considered marginally attached to the labor force). An additional 4.3 million people work part-time for economic reasons.
- The unemployment rate would be 8.3 percent if the figure included those who are marginally attached to the labor force and those who are forced to work part-time for economic reasons.

The Joint Economic Committee, established under the Employment Act of 1946, was created by Congress to review economic conditions and to analyze the effectiveness of economic policy.

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