



APRIL 2012

Monthly Employment Report

Released on May 4, 2012

SUMMARY

- **115,000 net total jobs added in April; private sector added 130,000 jobs**
- **Unemployment rate was largely unchanged at 8.1% - down from 8.2% in February**
- **Black unemployment rate was 13% - down from 14% in March**

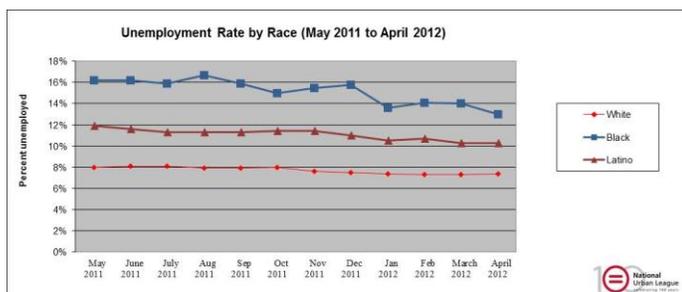
| | April, 2011 | | March, 2012 | | April, 2012 | |
|--------------------|-------------|-------|-------------|-------|-------------|-------|
| | Unemp | LFP | Unemp | LFP | Unemp | LFP |
| Black Men, 20+ | 17.0% | 68.6% | 13.8% | 68.4% | 13.6% | 67.3% |
| White men, 20+ | 7.9% | 73.9% | 6.8% | 73.8% | 6.8% | 73.5% |
| Black women, 20+ | 13.4% | 62.0% | 12.3% | 63.1% | 10.8% | 62.8% |
| White women, 20+ | 7.0% | 59.8% | 6.6% | 58.9% | 6.8% | 58.8% |
| Black teens, 16-19 | 41.6% | 26.2% | 40.5% | 25.1% | 38.2% | 25.1% |
| White teens, 16-19 | 22.3% | 36.2% | 22.5% | 36.9% | 22.8% | 36.7% |

In April 2012, 115,000 net total jobs were added and the private sector added 130,000 jobs. Transportation (-16,600), government (-15,000) and construction (-2,000) lost jobs. The unemployment rate was largely unchanged at 8.1% (from 8.2% in March) and the participation rate was also largely unchanged at 63.6% (from 63.8% in March).

Black unemployment rate declined by 1 percentage point – at 13% in April from 14% in March. The participation rate fell slightly to 61.3% (from 61.9%) – continuing decline of the black unemployment rate is a marked change from being above 15.5% for most of 2011:

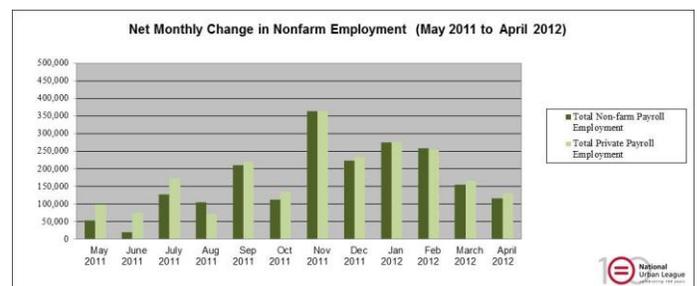
- Unemployment rate for adult black men fell slightly to 13.6% (from 13.8%) and for adult black women to 10.8% (from 12.3%) – fall in black unemployment was driven by black women
- Number of adult black men and women in the labor force was down by 151,000
- Teen unemployment unchanged at 24.9% (from 25%) and black teen rate fell to 38.2% (from 40.5%).

White unemployment rate was largely unchanged at 7.4% (from 7.3%) and the Latino rate was the same at 10.3%.



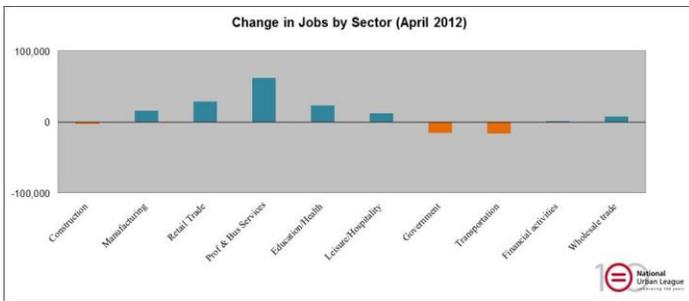
Robust Job Growth Since November 2011 Has Slowed Down In March and April 2012

In April, net total job creation was +115,000 – in March, +154,000 net jobs were added (adjusted). The private sector added +130,000 jobs in April, compared to +166,000 jobs (adjusted) in March. For the 2nd month in a row, there is a slowdown in the rate of job creation below +200,000. For the 3rd month, construction (-2,000) lost jobs – transportation (-16,600) and government (-15,000) were the other sectors to lose jobs. This again shows that construction is still highly volatile and the volatility in the depressed property market especially in California, Nevada and Florida is a continuing drag on overall economic growth.



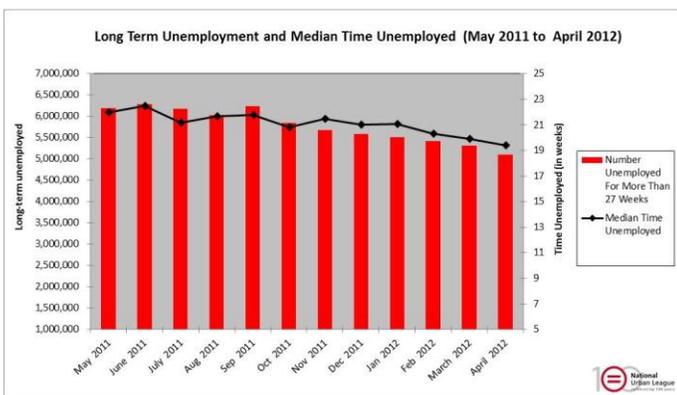
All Major Sectors, Except Government, Construction and Retail Trade Add Jobs

In April, the sector with the most job growth was professional/business services (+62,000) followed by retail services (+29,300 each), education/health (+23,000), manufacturing (+16,000), leisure/hospitality (+12,000), wholesale trade (+7,400) and financial activities (+1,000).



Long-Term Unemployment Rate Remains High

In April, the total unemployed was 12.5 million. The number of long-term unemployed fell by -207,000 to 5.1 million as the rate declined to 41.3% (from 42.5%) - when the recession started in Dec 2007, long-term unemployment was 17.5%. Since December 2009, long term unemployment has remained above 40%. The continuous decline in the long-term unemployment rate since January is welcome, assuming these individuals have not left the labor force altogether, but is a long way from where it needs to be. There is a clear sign that a permanent underclass of unemployed is being created and for this group, the current pace of GDP growth has not generated employment opportunities, thus retraining and other services will be critical. The number of people working part-time for economic reasons increased +181,000 to 7.9 million – this suggests that employers are increasing payrolls largely through part-time work. If you count this group, marginally attached workers, and the officially unemployed, the under-employment rate for April was 14.5% -- unchanged from March.



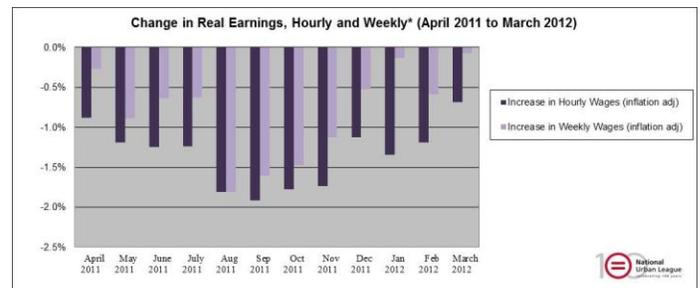
Median Time Unemployed Continues to Decline

In April, the median time unemployed fell to 19.4 weeks (from 19.9 weeks) – this is the 4th consecutive decline since January. Further, 2.4 million workers were marginally attached to the labor force (not seasonally adjusted). This population represents those who had

looked for a job sometime in the last 12 months, but not in the last month and therefore were not counted in the unemployment rate. Of these, 968,000 were discouraged workers (people not looking for work because they believed no jobs were available for them) – down just 21,000 from the previous year.

Real Hourly Wages Down for the 14th Consecutive Month

In April, average hourly wages of nonsupervisory and production workers in the private nonfarm sector rose slightly to \$19.72 (from \$19.69 adjusted) and average weekly earnings rose to \$666.54 (from \$665.52, adjusted). Average weekly hours were unchanged at 33.8 hours/week. In the 12 months from April 2011 to April 2012, average hourly and weekly earnings both rose by 1.8% and 2.4%, respectively. The Consumer Price Index for Urban Wage Earners (CPI-W), a measure of inflation, increased by 2.6% from March 2011 to March 2012 (inflation is not yet available for the April 2011 – April 2012 period) -- because of this inflation rate, both real hourly and weekly earnings fell by -0.7% and -0.1%, respectively for that time period.



State Unemployment Situation for March 2012

In state unemployment data for March 2012 (April 2012 is not available yet) payroll employment increased in 29 states and the District of Columbia, decreased in 20 states and was unchanged in Alabama. 30 states had unemployment rate decreases, 8 states had rate increases and 12 states and the District of Columbia had no change. The largest gains in payroll employment occurred in New York (+19,100), followed by California (+18,200) and Arizona (+13,500). The states with the most job losses were Ohio (-9,500), followed by New Jersey (-8,600) and Wisconsin (-4,500). Nevada continues to have the highest unemployment rate at 12%, followed by Rhode Island at 11.1% and California at 11%. North Dakota had the lowest rate at 3%.