



MARCH 2012

Monthly Employment Report

Released on April 6, 2012

SUMMARY

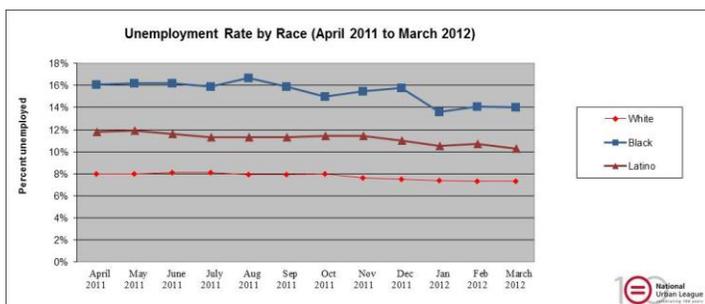
- **120,000 net total jobs added in March; private sector added 121,000 jobs**
- **Unemployment rate was largely unchanged at 8.2% - down from 8.3% in February**
- **Black unemployment rate largely unchanged at 14% - down from 14.1% in February**

In March 2012, 120,000 net total jobs were added and the private sector added 121,000 jobs. Retail trade (-33,800), construction (-7,000) and government (-1,000) lost jobs. The unemployment rate was largely unchanged at 8.2% (from 8.3% in Feb) and the participation rate was also largely unchanged at 63.8% (from 63.9% in Feb).

Black unemployment rate was largely unchanged at 14% (from 14.1% in Feb) and the participation rate rose slightly to 61.9% (from 61.7%) – black unemployment rate stabilizing around 14% in the first quarter of 2012 is a marked decline from being above 15.5% for most of 2011:

- Unemployment rate for adult black men fell to 13.8% (from 14.3%) and largely unchanged for adult black women at 12.3% (from 12.4%)
- Number of adult black men in the labor force was up 44,000 while number of adult black women in labor force was up 63,000
- Teen unemployment rose to 25% (from 23.8%) and black teen rate was up to 40.5% (from 34.7%).

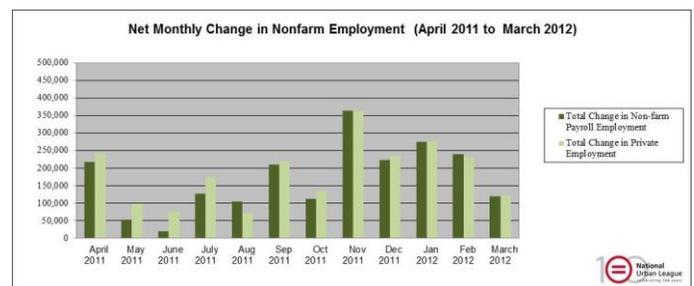
White unemployment rate was unchanged at 7.3% and the Latino rate fell to 10.3% (from 10.7%).



	March, 2011		Feb, 2012		March, 2012	
	Unemp	LFP	Unemp	LFP	Unemp	LFP
Black Men, 20+	16.8%	68.7%	14.3%	68.1%	13.8%	68.4%
White men, 20+	7.7%	73.7%	6.8%	73.9%	6.8%	73.8%
Black women, 20+	12.5%	62.1%	12.4%	62.8%	12.3%	63.1%
White women, 20+	6.9%	59.8%	6.8%	59.0%	6.6%	58.9%
Black teens, 16-19	42.1%	25.6%	34.7%	26.6%	40.5%	25.1%
White teens, 16-19	21.6%	36.4%	21.3%	36.1%	22.5%	36.9%

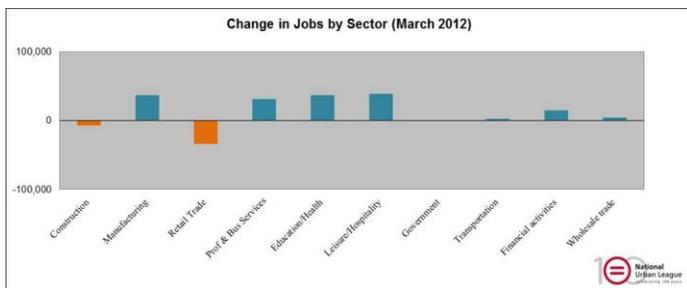
Job Growth Dips Below 200,000 for First Time in 4 Months

In March, net total job creation was +120,000 – in February, +240,000 net jobs were added (adjusted). The private sector added +121,000 jobs in March, compared to +233,000 jobs (adjusted) in February. This is the first time in 4 months that job growth was below 200,000. For the 2nd month, construction (-7,000) and retail trade (-33,800) lost jobs – government also lost jobs (-1,000) in March. This shows that construction is still highly volatile. Throughout this quarter, job growth has mostly been in low to medium skilled jobs. The slow down in job growth is a concern given about +320,000 monthly net job gains are needed to reach full employment by 2016.



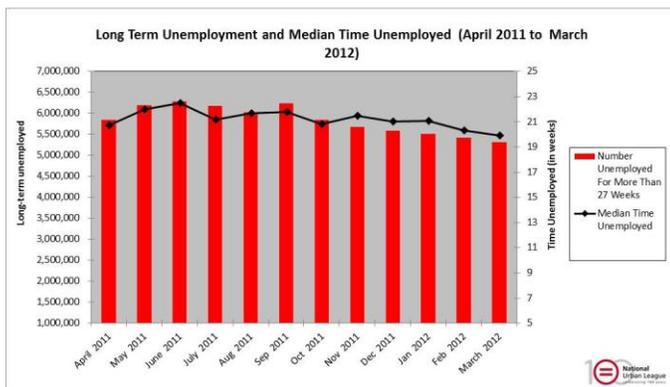
All Major Sectors, Except Government, Construction and Retail Trade Add Jobs

In March, the sector with the most job growth was leisure/hospitality (+39,000) followed by manufacturing and education/health (+37,000 each), professional/business services (+31,000), financial activities (+15,000), wholesale trade (+4,100) and transportation (+2,800).



Long-Term Unemployment Rate Remains High

In March, the total unemployed remained around 12.7 million. The number of long-term unemployed fell by -118,000 to 5.3 million as the rate remained almost the same at 42.5% (from 42.6%) -- when the recession started in Dec 2007, long-term unemployment was 17.5%. Since December 2009, long term unemployment has remained above 40% and highly volatile. The stubbornly high long-term unemployment rate was not seen in earlier recessions and indicates that there is a core group of unemployed who are unaffected by improvements. There are clear signs that a permanent underclass of unemployed is being created. 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 fell by 447,000 to 7.7 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 March was 14.5% -- this number has been gradually declining for 6 months.



Median Time Unemployed Still High

In March, the median time unemployed fell to 19.9 weeks (from 20.3 weeks) – this is the 1st time since February 2010 that this has been below 20 weeks. Further, 2.4 million workers were marginally attached to

the labor force (not seasonally adjusted) – down -82,000 from March 2011. 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, 865,000 were discouraged workers (people not looking for work because they believed no jobs were available for them) – down -56,000 from the previous year.

Real Hourly Wages Down for the 13th Consecutive Month

In March, average hourly wages of nonsupervisory and production workers in the private nonfarm sector rose slightly to \$19.68 (from \$19.65 adjusted) and average weekly earnings rose to \$665.18 (from \$664.17, adjusted). Average weekly hours were unchanged at 33.8 hours/week. In the 12 months from March 2011 to March 2012, average hourly and weekly earnings both rose by 1.9% and 2.5%, respectively. The Consumer Price Index for Urban Wage Earners (CPI-W), a measure of inflation, increased by 2.9% from Feb 2011 to Feb 2012 (inflation is not yet available for the March 2011 – March 2012 period) -- because of this inflation rate, both real hourly and weekly earnings fell by -1.2% and -0.6%, respectively for that time period.



State Unemployment Situation for February 2012

In state unemployment data for February 2012 (March 2012 is not available yet) payroll employment increased in 42 states and the District of Columbia and fell in 8 states. 29 states had unemployment rate decreases and 8 states had rate increases and 13 states and the District of Columbia had no change. The largest gains in payroll employment occurred in Ohio (+28,300), followed by Texas (+27,900) and New York (+24,700). The states with the most job losses were Nevada (-12,800), Georgia (-8,300), Oregon (-6,400) and Kansas (-5,700). Nevada continues to have the highest unemployment rate at 12.3%, followed by Rhode Island at 11% and California at 10.9%. North Dakota had the lowest rate at 3.1%.