

Making Gains: Improvement in the National Economy

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The United States economy is on the mend but still has a way to go to fill the economic holes opened by the Great Recession. After five years, the country has recaptured a little over half of the lost jobs, recovering 5.5 million of 8.7 million lost.

Of encouragement is that the pace of job creation has recently increased. Almost 1.9 million new jobs were created in 2012 and over 2.0 million in 2011. U.S. employment growth slowed noticeably at the end of 2011 into the early months of 2012, but if we look at the most recent six months of employment growth and convert it to an annualized average, the economy is on track to add 2.1 million new jobs.

Many industries are still working to regain their pre-recession employment. Some still have a protracted way to go. Both construction and manufacturing jobs posted significant losses during the recession, and both have recovered only a small percentage of their pre-recession employment. Trade, transportation and utilities also lost sizeable employment counts but is further along the path to recovery than construction and manufacturing. Information, financial services and other services are also areas where the job counts remain below pre-recession levels.

Government employment is also below pre-recession levels, but it's unique in that it has recovered no new jobs from its pre-recession high. In fact, it is still shedding jobs. Government includes the federal, state and local jurisdictions. Whereas the state and local areas appear to be leveling their job losses, the federal government continues to cut. The aggregation of the three makes for continued job reductions.

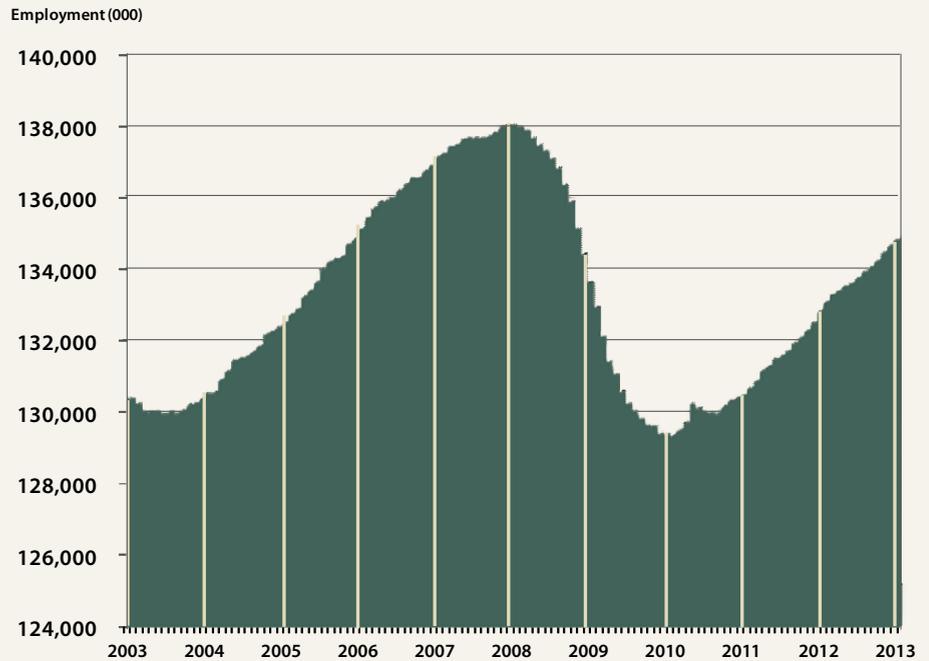


Several industries have recovered their pre-recession jobs and are growing to new highs. Private sector education and health care stands out as the only sectors that did not lose jobs during the recession and subsequent period.

The economy is improving. Momentum is building. The next two years offer hope that it will continue. ①

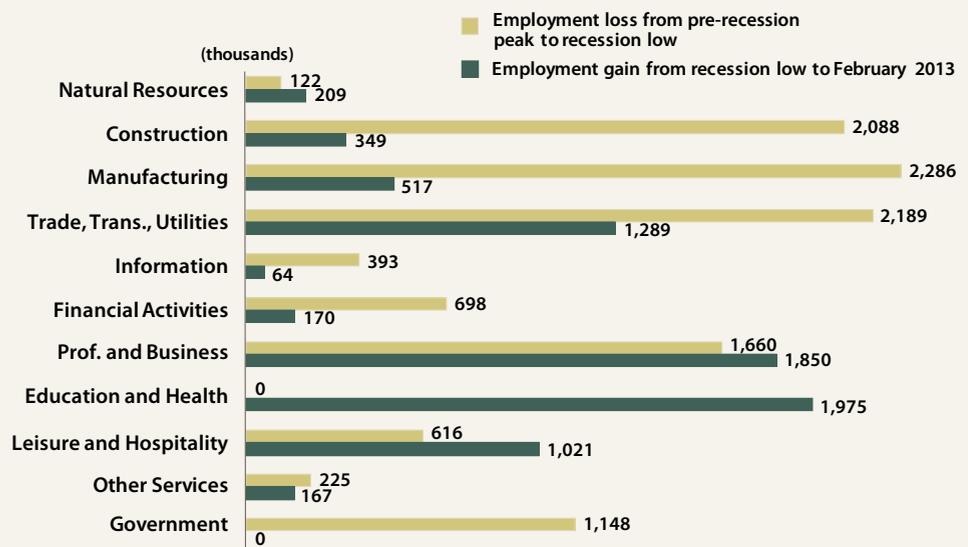
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U.S. Employment 2003–2013 Monthly



Source: U.S. Bureau of Labor Statistics, seasonally adjusted

U.S. Nonfarm Industry Profile (Numeric Change) 2007–2013



Source: U.S. Bureau of Labor Statistics, CES seasonally adjusted