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# April Job Gains Offer Small Dent in 11 Million Jobs Deficit

**Despite Gains, Faster Growth Needed to Close Massive Shortage of Openings and Bring Unemployment Rate Down**

Washington, DC – The economy added 244,000 jobs in April, the Bureau of Labor Statistics announced today, marking the third straight month of private sector growth that was healthy compared to this time a year ago. But with public sector job losses, an increase in the working age population and overall economic growth moving at a tentative and uneven pace, the unemployment rate actually increased to 9.0 percent.

Given the country's significant jobs deficit, stronger, faster and more consistent job growth is necessary to build and maintain a healthy recovery that spreads evenly across the economy and restores security and prosperity to all.

"We're moving forward, but not at a pace fast enough to tackle the massive jobs deficit that still looms over the economy," said **Christine Owens, executive director of the National Employment Law Project**. "Between the jobs lost in the recession and new workers waiting in the wings, we need to create about 11 million jobs to get the economy on even footing. That means millions of families are still aching for work, with little hope in sight."

April's private sector job growth, of 268,000 jobs, followed a similar employment increase in March, and has brought the average number of private sector jobs added over the last three months to 253,000 per month – a much better rate of growth than during the same period last year, which saw the addition of only 117,000 private sector jobs each month. The public sector nevertheless shed another 24,000 jobs in April, mostly at the local level – bringing the total job loss in the public sector to over 400,000 during the past year.

An overwhelming jobs deficit persists despite continued growth. The economy shed nearly 8.7 million jobs over the three-year period following the start of the Great Recession, and it has only recovered about 1.7 million since the beginning of 2010. This leaves a nearly 7 million lost jobs that have yet to be recovered despite the general uptick in the economy.

Additionally, because the population has grown during the Great Recession and its aftermath, more individuals who would have entered the labor force in a healthier economy have been shut out due to the lack of available work. An estimated 4 million of these new entrants should have entered the labor market since the recession began, but did not do so because job prospects were so dismal.

The real jobs deficit, therefore, is just over 10.9 million—that is, the total number of jobs the economy needs to generate to make up for those lost during the Great Recession, bring left-out entrants into the labor force, and lower the unemployment rate to what it was before the downturn.

“Given the extraordinary jobs deficit, the rate of recent growth, though an improvement, remains troubling. Even if the economy replicated April’s increase of 244,000 jobs each month, the jobs gap would not fully close for six years. To recover the deficit in a shorter time period – say three years, or by April 2014 – the economy would still need to add over 398,000 jobs per month. That pace is far greater than anything we’ve seen in the recovery to date or even experienced during more robust periods,” said Owens.

Despite the recent jobs growth, April’s unemployment rate increased to 9.0 percent from 8.8 percent in March. As more people try to reenter the labor market, the jobs deficit will only worsen unless concrete efforts are made to spur further employment growth and close the jobs deficit.

"We have a growing population, but we don’t have work opportunities for all who want them. That means we have double-duty to create jobs – for the people who lost employment and for those who may be seeking it for the first time,” said Owens.

On Thursday, Congressional Republicans introduced legislation (called the JOBS Act) that would allow states to divert money that Congress has already allocated for federally funded unemployment benefits to instead pay off federal debt accrued during the unemployment crisis. This is debt that in most instances resulted from poor financing decisions by states, which routinely cut employer taxes during times of economic prosperity, thereby failing to build up trust funds that could handle paying recession-level benefits. In addition to allowing states to shut down federal benefits programs that have already been authorized to operate for the rest of the year, this bill would break the compromise deal reached between the Administration and Congress last December that extended tax breaks for the wealthy while preserving federal unemployment benefits for the long-term unemployed. NELP strongly opposes the measure.

“Many members of Congress are obsessed with budget deficits when what should really concern them is the jobs deficit,” said Owens. “The JOBS Act is just the latest of several proposals around the country that purport to create jobs but that in reality would steal money from the unemployed in a thinly veiled attempt to benefit employers at the expense of those who are still suffering the worst as a result of the recession.”

“What we need is a direct and aggressive approach to job creation, or else millions of families will be left struggling well into the decade and ill-advised budget cuts will erode their economic security further. Instead of cutting away at labor protections and fanning the flames of deficit fears, politicians need to be squarely focused on job creation. Closing the jobs deficit remains the top priority for the economy and for families across the country,” Owens said.

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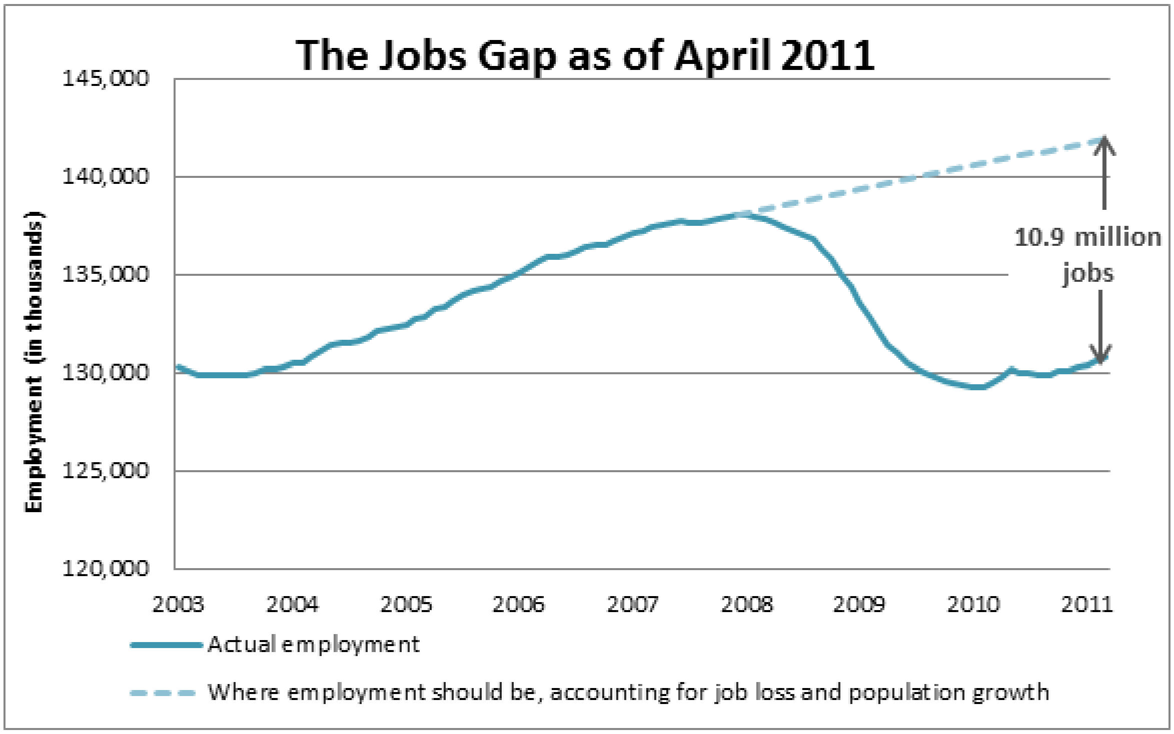
The Jobs Gap as of April 2011
145,000
140,000
135,000
130,000
125,000
120,000
Employment (in thousands)
2003
2004
2005
2006
2007
2008
2009
2010
2011
10.9 million jobs
Actual employment
Where employment should be, accounting for job loss and population growth