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October Jobs Report: Demand for Work Continues to Vastly Outstrip Supply of Jobs

Need for Unemployment Insurance Renewal Gains Urgency

Washington, DC— The middling employment growth the Bureau of Labor Statistics reported today for October, a net addition of 80,000 new jobs in the U.S., did little to reduce the nation's <u>vast jobs deficit</u> or give the long-term unemployed reason to hope their joblessness will end soon. "We simply cannot and will not rebuild a strong economy or put America back to work in good jobs unless and until we re-ignite the great American job-creation engine," said **National Employment Law Project (NELP) executive director Christine Owens.** "Private-sector growth of only 104,000 jobs, offset by continued public sector losses (24,000 last month) is not up to the task of rebuilding a badly battered economy and restoring opportunity and security through work," Owens added.

With job growth mediocre, the nation's unemployment rate in October was little changed at 9.0 percent, and nearly 14 million Americans who are actively seeking jobs remain out of work. Adding to the concern over dim job prospects is the expiration of federal unemployment benefit programs slated for the end of the year. Out of more than six million Americans currently receiving some form of unemployment insurance, close to two million will be cut off from federal unemployment programs in January alone unless Congress renews them before December 31st.

"With employment growth still so slow, today's jobs report offers little solace for the millions of Americans who remain out of work," said **Christine Owens, executive director of the National Employment Law Project**. "Long-term unemployment remains at historic levels. Job opportunities are few and far in between, with unemployed workers outnumbering job openings by more than four to one. Of grave concern is the fact that the federal unemployment insurance programs, which have been a critical lifeline for millions of long-term unemployed workers and their families and communities, are slated to expire at the end of December."

October's jobs report paints a bleak picture of an economy facing record long-term joblessness and a massive jobs deficit we will not climb out of for years. The number of Americans unemployed for six months or longer—the long-term unemployed—remains at nearly 6 million, or 42.4 percent of the unemployed. Their average duration of joblessness reached 39.4 weeks, or more than 9 months. In addition, nearly 8.9 million Americans were underemployed in October, working in part-time jobs because they have been unable to find full-time work.

With the economy adding fewer jobs in October than needed even to keep up with population growth, the nation's severe jobs deficit continued to deepen. The economy still needs roughly 6.5 million new jobs to replace those lost during and after the Great Recession, plus nearly 4.6 million more to account for workingage population growth over the same period—for a <u>total deficit</u> of over 11 million jobs needed (see NELP's analysis <u>here</u>).

Underlying the protests on Wall Street and elsewhere around the nation is the conviction that something is deeply wrong in America.

"The nation's unemployed, many cast aside after decades of work, are emblematic of this America turned upside down, where those who have worked for a living can no longer make a living from work, while those whose money works for them are riding higher than ever," said Owens. "With the President addressing this crisis with an aggressive campaign for jobs legislation and the debate over whether to reauthorize federal unemployment insurance set to heat up in Congress, the question of choices—of which side our leaders are on to respond to the crisis—is squarely joined."

"As winter sets in, millions of families in America are hanging on by a thread—and they're entitled to expect the representatives they sent to Congress to be there for them, rather than turn their backs on them," said **Owens**. "The choice for Congress could not be starker. Will it ensure that our nation's unemployed and their families receive the modest help they need to get through these impossible times, or elevate tax policies allowing the wealthiest among us to continue to reap towering profits and gains at the expense of the rest of us? Will it preserve and strengthen core workplace protections and the employment-based social insurance safety net that workers today so desperately need, or rip these to shreds through regulatory repeals that anoint CEOs with even greater powers and less accountability."

Owens continued: "Americans need our elected leaders in Washington and in the states to make choices that will address the jobs crisis and ensure that millions of families still trapped in the unemployment crisis do not plummet into even greater destitution and despair," said Owens. "More than ever, Democrats and Republicans must put aside ideological differences and come together to do what's right for the American people and our economic well-being."

The National Employment Law Project is a non-partisan, not-for-profit organization that conducts research and advocates on issues affecting low-wage and unemployed workers. For more about NELP, visit www.nelp.org.

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