

Jobs lost to recession trickle back, but wages lag

BY CHRISTOPHER S. RUGABER AND PAUL WISEMAN
AP ECONOMICS WRITERS

U.S. job growth slumped in April for a second straight month. It suggested an economy that is growing steadily but still sluggishly, which could tighten the presidential race.

A drop in the unemployment rate wasn't necessarily a healthy sign for the job market. The rate fell from 8.2 percent in March to 8.1 percent in April. But that was mainly because more people gave up looking for work.

People who aren't looking for jobs aren't counted as unemployed.

The 115,000 jobs added in April were fewer than the 154,000 jobs added in March, a number the government revised up from its earlier estimate of 120,000. It also marked a sharp decline from December through February, when the economy averaged 252,000 jobs per month.

The percentage of adults working or looking for work has fallen to its lowest level in more than 30 years. Many have become discouraged about their prospects.

Job creation is the fuel for the nation's economic growth. When more people have jobs, more consumers have money to spend — and consumer spending drives about 70 of the economy.

Here's what The Associated Press' reporters are finding:

THE LONG SLOG BACK

Job creation has been frustratingly slow since the Great Recession ended. Only 43 percent of the jobs lost have been regained 34 months later.

The rebound was only slightly stronger after the previous recession, which ended in November 2001. By September 2004, 54 percent of the jobs lost had been regained. It took five more months before all the jobs were back.

The problem this time isn't that companies haven't been hiring: They've added more than 1 million jobs in the past six months. It's that the Great Recession killed so many jobs in the first place — 8.3 million.

By contrast, the 2001 recession eliminated 1.6 million jobs.

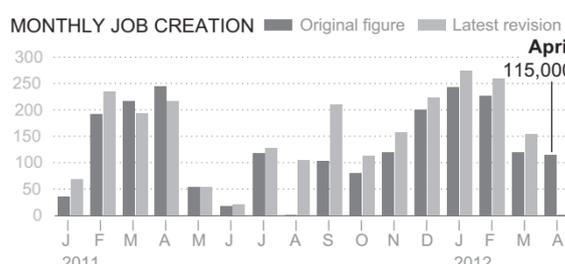
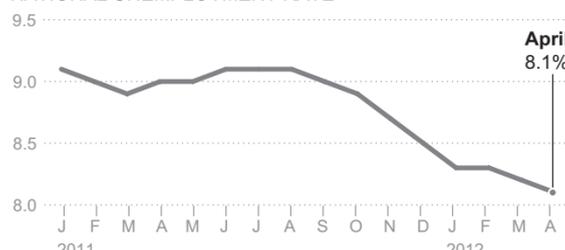
PENNY MORE FOR YOUR WORK

For people with jobs who assume

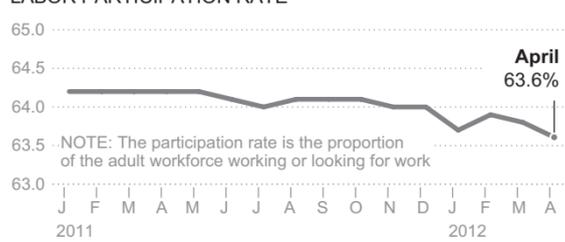
Unemployment rate dips to 8.1%

U.S. job growth slumped in April for a second straight month. It suggested an economy that is growing steadily but still sluggishly. The 115,000 jobs added in April were fewer than the 154,000 jobs added in March, a number the government revised up from its first report a month ago of 120,000.

NATIONAL UNEMPLOYMENT RATE



LABOR PARTICIPATION RATE



SOURCE: Bureau of Labor Statistics

they're not affected by Friday's report, take notice: The report notes that the average worker's hourly pay eked out a gain of just one penny in April.

Over the past year, average hourly pay has ticked up 1.8 percent to \$23.28. Inflation has been roughly 2.7 percent. Which means the average consumer isn't keeping up with price increases.

NOWHERE TO HIDE

Hiring was weak, if it occurred at all, in eight of 10 industry categories the government tracks.

Manufacturing, which has been a source of strength, added 16,000 jobs. Education and health services, which tend to be less affected by economic cycles, added 19,000.

It was the smallest gain in five months for both categories. Leisure and hospitality, a bell-

wether for consumer spending, had its tiniest gain — 12,000 jobs — in eight months. Federal, state and local governments cut a combined 15,000 jobs.

There were two bright spots: Retailers added 29,300 jobs after cutting jobs the previous two months. And professional and business services added 62,000.

YOUNG AND UNEMPLOYED

It's a tough time to be young in America.

The unemployment rate in April for workers under 25 was 16.4 percent. That's nearly 10 percentage points above the rate for those 25 or older.

It could be worse. You could live in Europe. In the 17 countries that use the euro, the unemployment rate for young workers is 22.1 percent.

Or worse still. In Greece and Spain, two of the countries most damaged by Europe's debt crisis, one in two workers under 25 is unemployed.

Friends. "You have more people dropping out of the work force than you have getting jobs."

"This is not progress," Romney said.

TEPID ECONOMY, TEPID HIRING

Over time, strong economic growth is vital for strong job growth.

But early this year, hiring accelerated much faster than economic growth did. Job gains averaged a strong 229,000 in the first three months. By contrast, the economy grew at a sluggish annual rate of 2.2 percent.

Economists began to wonder: Would growth catch up with hiring? Or would hiring slow to match economic growth as measured by gross domestic product, or GDP?

Some analysts say April's disappointing job growth suggests an answer, and it's not a cheerful one:

"It now appears that jobs have decelerated into line with GDP, rather than GDP accelerating to catch up with jobs," said Nigel Gault, an economist at IHS Global Insight.

THE POLITICAL DEBATE

A falling unemployment rate would seem to be good news for President Barack Obama's re-election hopes. Dating to 1956, no incumbent president has lost when unemployment fell in the two years leading to an election.

On Election Day, unemployment will almost surely be less than it was two years earlier: 9.8 percent in November 2010.

But for the past two months, the rate has fallen for the wrong reason: More than 500,000 Americans have stopped looking for jobs and are no longer counted as unemployed. Job growth averaged a healthy 252,000 from December through February. It slowed to an average of 135,000 in March and April.

The question is whether voters will focus more on the falling unemployment rate (good for Obama) or the modest job growth (not so good).

A JOB FROM ROMNEY

Mitt Romney seized on the latter. He noted that the declining number of people seeking work explains the drop in the unemployment rate.

"This is way off from what should be happening in a normal recovery," Romney said on Fox &

RECOVERIES WITHOUT JOBS

Economists note that "jobless recoveries" are becoming the norm. In part, that's because layoffs during recessions are more likely to be permanent.

Workers who were cut during downturns before the 1980s were usually hired back once the economy perked up. This time, many jobs are being restored only slowly.

Companies are also quicker to lay off employees at the first sign of slowing growth. And as they find ways to squeeze more work from their remaining staffers, they're slower to rehire.

DISAPPEARING WORKERS

The percentage of Americans 16 and older working or looking for work is now 63.6 percent, the lowest since 1981. For men, the so-called "labor force participation rate" is 70 percent. That's the lowest since the government started keeping records in 1948.

The rate peaked at 67.3 percent in early 2000 after women had poured into the work force over the previous four decades. Since then, it's turned south. Demographic and social trends help explain the drop. Baby boomers are aging and retiring.

And more women, especially upper-income families, are staying at home. The drop in the participation rate accelerated after the economy slid into recession in late 2007. The tough job market led many to give up looking for work.

NOT EXPLOSIVE, BUT STEADY

By some measures, job creation has been consistently solid. For example, more than 100,000 jobs have been added for eight straight months. It's the first time the economy has achieved that feat since 2005.

Consider, too: Employers have added at least 100,000 jobs every month this year. That would be an impressive streak if it continued through 2012. The last time the economy added 100,000 or more jobs every month in a calendar year was 1999.

BRIEFCASE

LOCAL FARM & BUSINESS NOTES

Calendar

Grants targeted at projects that help improve and expand farmers markets, community supported agriculture and road-side stands are available through the U.S. Department of Agriculture's **FARMERS MARKET PROMOTION PROGRAM**.

The deadline to apply for funding is May 21.

Agricultural cooperatives, local governments and nonprofit corporations are eligible to apply for the grants. Priority status will be granted to projects that expand healthy food choices in food deserts or low-income areas where the percentage of the population living in poverty is 20 percent or above.

For more information or to apply for a grant, go to www.grants.gov.

Lincoln Land Community College's Green Center will offer a **HIGH TUNNEL WORKSHOP SERIES** 9 a.m. to 4:30 p.m.

Saturday and June 11 in the Workforce Careers Center on the Springfield campus at 5250 Shepherd Road.

Both workshops will be led by Mike Bolinger. Cost for one workshop is \$30. Adiscounted rate of \$50 for both workshops is being offered. Registration fee includes a box lunch and two books.

Registration deadline is Tuesday for the first workshop and June 6 for the second workshop.

To register, go to www.llcc.edu/green-center or call Julie Bates at (217) 786-2434.

The Jacksonville Area Chamber of Commerce recognized the U of I Extension Service as the Business of the First Quarter.

The Extension Service has been a partner with the chamber on the Leadership Jacksonville program since 2008. It has provided numerous presentations throughout the years and is active with the chamber's Agri-Industry Division as an Agri-Industry Banquet sponsor.

A new transmission line to meet our need for reliable, cost-effective and safe energy

Ameren Transmission Company of Illinois (ATXI) proposes to construct new 345 kilovolt transmission lines that will interconnect Missouri, Illinois and Indiana. The project, known as the Illinois Rivers Project, is part of a portfolio of Multi-Value Projects (MVPs) that has been approved by the Midwest ISO, a regional transmission organization.

The MVPs will facilitate the delivery of renewable energy, improve reliability, and provide economic and efficiency benefits. The Illinois Rivers Project is directly aligned with Ameren's strategic goals of providing our customers with reliable, efficient and environmentally responsible energy.

We need your help.

ATXI invites you to attend an Open House.

Thursday, May 17th
Meredosia-Chambersburg High School
830 Main Street
Meredosia, Illinois

Stop by anytime between 5:00 p.m. and 8:00 p.m.

At this Open House, we will explain why this new transmission line is needed and what it will look like. We will answer your questions.

By sharing your thoughts and concerns with us on May 17th, you will help us determine the best possible routes for this new transmission line.

For more information, please visit our Web site at ilriverstransmission.com or call us at (800) 229-9280.



Visit ActOnEnergy.com and learn how to use less to spend less!

CODE: IRT

May is a busy month!

Mother's Day
Wallet \$23.00

Graduation
Canister \$7.99/ea
Laptop Brief \$25.99

Memorial Day
3pc Cutlery Set \$47.99
BBQ Spatula \$19.99
Fleece Bath Wrap \$29.99

Visit **Arends-Awe, Inc.** for new merchandise arriving daily!

Arends Awe

Store Hours: Monday-Friday 8 a.m.-5 p.m. & Saturday 8 a.m.-Noon
Riggston, IL • 1-800-494-3138 Perry, IL • 1-800-404-3138
(Located 8 miles West of Jacksonville on old Route 36) (Located off 107 in Perry)

www.arends-awe.com

THE STATE

Journal

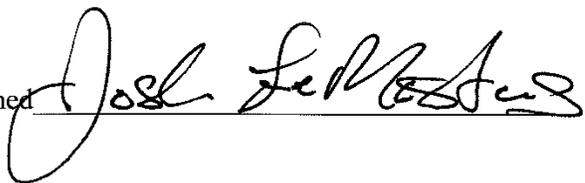
Register

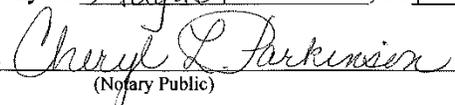
AFFIDAVIT OF PUBLICATION

STATE OF ILLINOIS
 County of Sangamon

Josh LeMasters, being first duly sworn, deposes and says that he is the Advertising Representative of The State Journal-Register, Springfield, Illinois and to his knowledge, the advertisement of the *Environmental Resource Management* ads duly ran in The State Journal-Register as follows:

| DATE OF ISSUE | SPACE |
|---------------|---------|
| 4/24/12 | Page 25 |
| 5/1/2012 | Page 5 |
| 5/6/2012 | Page 38 |
| 7/2/2012 | Page 4 |
| 7/9/2012 | Page 5 |
| 7/16/2012 | Page 3 |

Signed 

Sworn and subscribed before me this
22nd day of August, 2012
 Signed 
(Notary Public)

