

Healthcare Workplace Economy March 2012

Jobs Report Summary for the Healthcare Industry Based on the BLS Report with February 2012 data

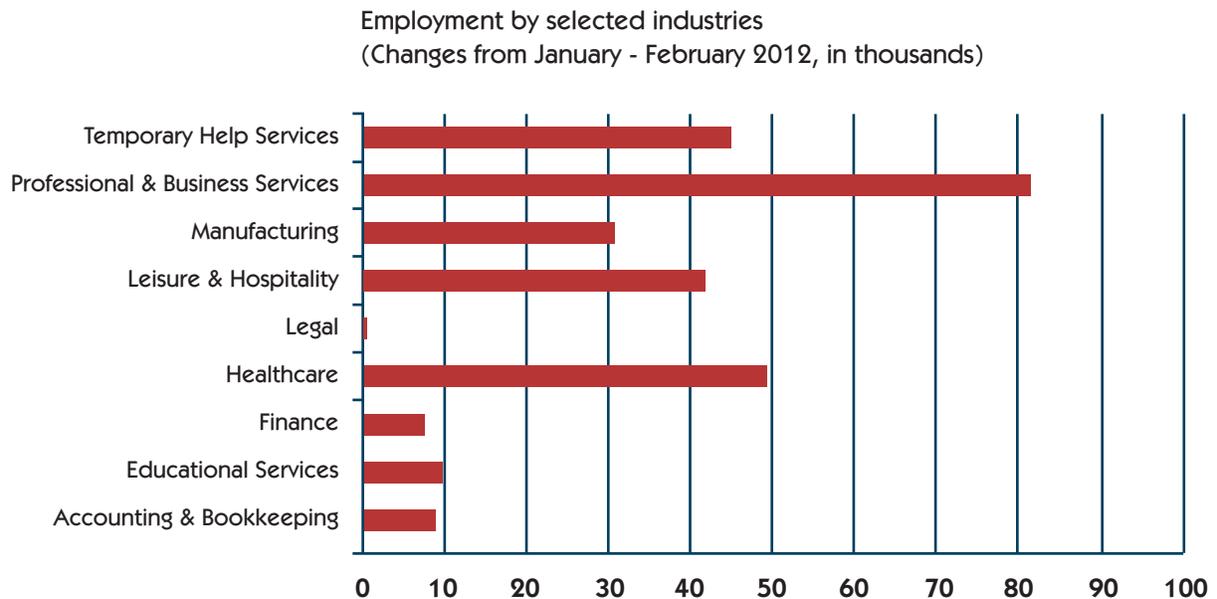
Prior to the release of the BLS's "The Employment Situation – February 2012" report, President Barack Obama established a positive tone as he spoke about the national economy at a New York-based fundraiser during the first week of March.

"Over the last two years, we've created over 3.5 million jobs, just in the private sector," said Obama. "Manufacturing is stronger than it's been since the 1990s. We've now had 10 consecutive quarters of growth."

Yet, once the BLS's latest jobs report was published on March 10th, President Obama had even more reasons to feel optimistic about the national economy's current path towards eventual full-fledged recovery.

According to the report, 227,000 new jobs were generated in February, surpassing many economists' predictions that roughly 210,000 jobs would be created. Additionally, the BLS revised its previous two jobs reports, as it found that 20,000 and 41,000 more jobs had been created in December and January than had originally been acknowledged. In all, 245,000 new jobs, on average, have been added to the economy on a monthly basis since December.

Sector changes observed in February



Source: BLS

“One month [of such job creation] can be a fluke. Two months can be lucky. Now at three months and more, it’s [a] trend,” said Mark Zandi, Moody’s Analytics’ chief economist.

Meanwhile, the national unemployment rate remained at 8.3 percent in February. With a decline of 0.6 percent since last October, such a rapid decrease has rarely been recorded since the beginning of the post-World War II era. Additionally, only 6,000 jobs were lost in the public sector, a significant decline when one considers that nearly 20,000 public jobs were lost last December alone.

Alan Krueger, chairman of the White House’s Council of Economic Advisers, believes the report depicts exactly what President Obama has been promising throughout the last year – economic recovery is occurring, even if it has, at times, progressed rather slowly.

“[The] report provides further evidence that the economy is continuing to heal from the worst economic downturn since the Great Depression,” said Krueger.

He added, “Despite adverse shocks that have created headwinds for economic growth, the economy has added private sector jobs for 24 straight months. It is critical that we continue the economic policies that are helping us dig our way out of the deep hole that was caused by the recession.”

For the second straight month, United States private sector job growth was prevalent in a wide range of industries, especially professional and business services, manufacturing, and healthcare. Overall, 233,000 Americans were hired within the private sector throughout February, as the sector’s monthly job growth has now surpassed 200,000 for three successive months.

The following employment statistics were published in this month’s edition of the BLS’s “The Employment Situation” report:

- **Healthcare:** In all, 49,000 healthcare positions were added to the national economy last month. A majority of the hiring occurred within hospitals, nursing care facilities, and physicians’ offices.
- **Finance:** In February, the industry hired approximately 6,000 workers overall. Of these employees, 2,900 were employed within depository credit intermediation capacities, while 2,800 were hired to fulfill commercial banking responsibilities.
- **Leisure and hospitality:** For the second consecutive month, 44,000 Americans were hired for full-time or part-time employment within the industry. 41,000 were employed in drinking or food services places; food services places have created 531,000 new jobs throughout the last two years.
- **Manufacturing:** Although manufacturing hiring was not as noticeable in February as it was in January, the industry still hired 31,000 new employees last month, including 11,400 fabricated metal products workers.
- **Professional and business services:** Hiring remained quite high within the industry, as 82,000 professionals received new job opportunities. More than half of the hiring occurred within temporary help services, which employed 45,000 workers, a sign that companies are preparing to steadily hire full-time employees again after extensive hiring freezes.
- **Wholesale trade:** Last month, the industry added 8,400 positions to the national economy. A majority of these positions were filled within nondurable and durable goods organizations, which hired 3,100 and 2,800 professionals, respectively.

Soliant Insights

Last spring, the BLS released one of its most positive jobs reports in years – “The Employment Situation – April 2011.”

According to the report, the nation’s private sector had generated 268,000 new jobs throughout the month of April, the second consecutive month in which more than 200,000 jobs were added to the national economy.

As a result, many Americans had a renewed sense of hope in the country’s economic recovery. And who could blame them? After all, an average of 217,000 new jobs had been added to the economy from February to April.

Yet, regrettably, economic progress came to a complete halt last spring as Japan’s 9.1 magnitude earthquake and Europe’s ongoing debt crisis led to diminishing business and consumer confidence levels. By August, all anticipation regarding a recovery had faded away, as only 63,000 jobs were created, on average, from May to July.

One year later, President Obama and his administration are determined to ensure that history will not repeat itself and that progress will continue despite some of the pressing issues that are negatively impacting the economy, including the nation’s depressed housing market and ever-increasing gasoline prices.

As a start, the administration recently developed a set of bills, known as the Jumpstart Our Business Startups (JOBS) Act, which will ease some of the regulations that businesses, valued at less than \$1 billion, have previously had placed on them regarding their IPOs. The Act will help them invest in a more efficient manner and increase their capital, so that they can develop their workforces and expand their business operations.

As President Obama prepares for this year’s Election Day, his administration will undoubtedly need to continue to initiate more jobs bills like the JOBS Act in order to further decrease the national unemployment rate, which has stubbornly remained above eight percent throughout his entire term.

If he does not reduce the rate, he will have to encounter an obstacle that no other candidate has successfully overcome before – a national unemployment rate higher than 7.2 percent. No President in post-World War II history has won re-election with a jobless rate above that percentage.

