

Healthcare Workplace Economy May 2012

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

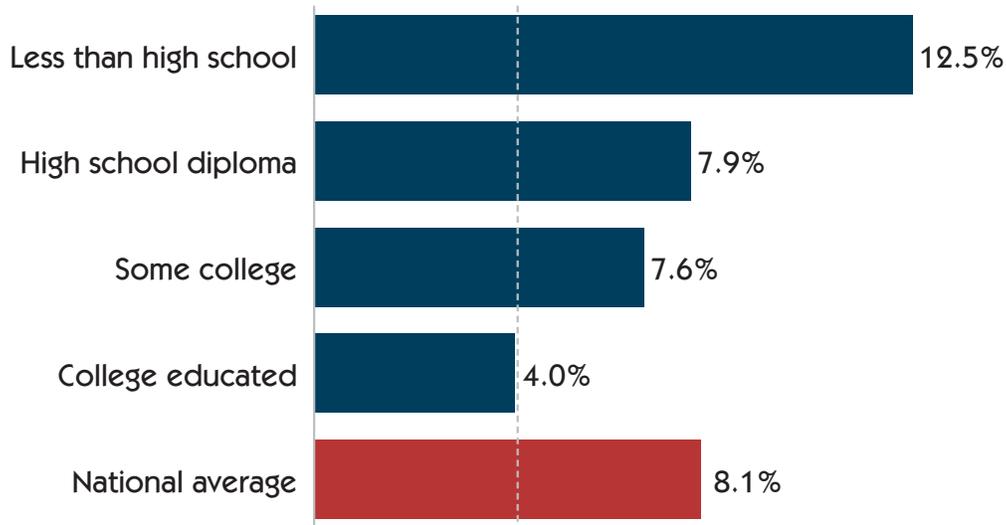
Another month of similar job numbers.

Once again, economists waited for the BLS report to determine if the unemployment data for April would be similar to that of March or if it would increase back to numbers seen in early 2012. With the report showing a growth of 115,000 jobs overall and 130,000 added in the private sector, the report was close to that seen in March. Additionally, the unemployment rate fell to 8.1% which was attributed to people choosing to leave the job market.

According to the report, the nation's labor force participation rate, which measures the total percentage of the population aged 16 or older that is currently employed, was 63.6 percent—a number that must improve in the future to truly assist in strengthening the economy.

While Mitt Romney, the potential Republican party nominee, shared his disapproval with the report, President Obama's Council of Economic Advisers disagreed and pointed out that private employment rose by nearly 700,000 jobs during the first quarter of 2012, the largest quarterly increase in six years. And, more than 820,000 private sector jobs have been created.

Education remained a job search differentiator



Source: BLS

“Manufacturing continues to [also] be a bright spot,” said Alan Krueger, chairman of the Council of Economic Advisers. “After losing millions of good manufacturing jobs in the years before and during the recession, the economy has added 489,000 manufacturing jobs since January 2010.”

Krueger concluded, “Despite adverse shocks that have created headwinds for economic growth the economy has [also] added private sector jobs for 26 straight months, for a total of 4.25 million payroll jobs over that period.”

On May 4th, the BLS released its most recent “The Employment Situation” report, which revealed that, for the second consecutive month, private sector hiring was not nearly as extensive in April as it was in January and February. According to the report, month-to-month hiring continued to drop in sectors such as the federal government, while many other industries, such as accounting and finance, reported very minute increases in hiring.

Still, the report showed positive elements as several industries, including the following, recorded considerable hiring advancements last month.:

- **Healthcare:** Overall, 19,000 healthcare jobs were created in April, the lowest total that has been documented thus far in 2012. Nevertheless, hiring was quite pertinent within the ambulatory healthcare services sector, which generated 15,400 new jobs.
- **Leisure and hospitality:** Last month, the industry added 12,000 new jobs to the economy. More than 13.6 million professionals were employed within the sector, as of April 30th.
- **Manufacturing:** 16,000 professionals were hired in the sector with fabricated metal products and machinery positions continuing to be plentiful, as evidenced by last month’s report, which found that each sector added 6,000 and 5,000 new jobs to the economy, respectively.

- **Professional and business services:** Hiring within the professional and business services industry doubled in April, when compared to March’s employment data. As a whole, hiring augmented by 62,000 last month; it has risen by nearly 1.5 million since September 2009.

- **Retail Trade:** Many economists were surprised to see employment uptick last month in the sector, rising just over 29,000 jobs, the largest increase of 2012.

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During the last week of April, the U.S. Department of Commerce released its latest report concerning first quarter 2012 economic growth projections. Its findings showed that the national gross domestic product (GDP) likely only increased by 2.2 percent from January to March.

With a 2012 GDP projection of 2.5 percent, many economists anticipated the economy would generate about 135,000 jobs on a monthly basis. At such a pace, the 8.8 million jobs lost between February 2008 and January 2010, would likely not be recovered for at least another three to eight years.

So what lies ahead for the nation’s unemployed? To begin, the United States must add about 125,000 jobs each month to keep up with population growth.

Interestingly enough, the United States is now producing more goods and services than it did at the start of the recession in December 2007, but is doing so with about five million less workers. When examining this level of productivity—employers doing more with a smaller staff—some experts have begun to wonder if there is an overall shift in the workforce beginning to take place, and whether we should reconsider that ‘healthy’ employment now looks like.

The figures have also concerned President Barack Obama and his team of economists. While speaking in Virginia last Friday, the day in which the BLS' latest "The Employment Situation" report was released, Obama stated, "We've got to do more. My message to Congress is going to be, 'Just saying no to ideas that will create jobs is not an option.' "

Alan Krueger, chairman of the White House Council of Economic Advisers, agreed.

"Given the problems the economy has had over the past decade, we need faster growth," said Krueger. "We need to do more, which is why the President has laid out his blueprint for an American economy that will continue to urge Congress to act to do more to grow the economy."

Only time will tell whether or not the President's economic blueprint will eventually lead to the creation of more jobs.



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