

## Healthcare Workplace Economy May 2013

### Jobs Report Summary for the Healthcare Industry Based on the BLS Report with April 2013 data

As the release date of the BLS' "The Employment Situation – April 2013" neared, most economists remained encouraged, in spite of March's initially disappointing employment figures, as only 88,000 new jobs were generated.

Prior to the release of the BLS' latest jobs report, some financial experts predicted 140,000 jobs would be created in April, while others were even more positive, anticipating a rise in employment of 150,000.

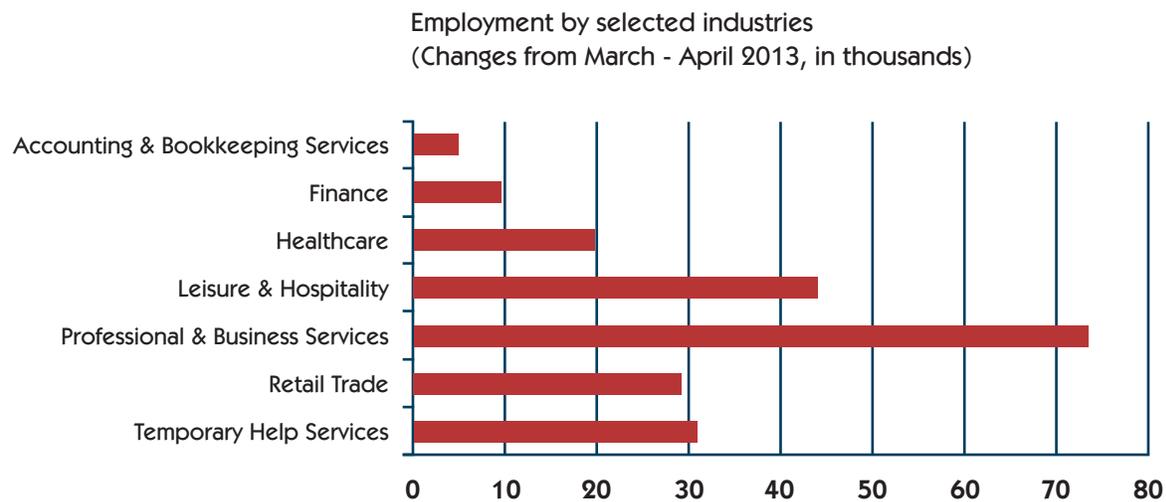
Despite their optimism, economists' projections were actually lower than the BLS' published results, as 165,000 jobs were added to the national economy last month. Long-term unemployment decreased to 4.4 million, a decline of 258,000,

when compared to March's data. Since April 2012, the total number of long-term unemployed has decelerated by 687,000.

Even though the national underemployment rate rose to 13.9 percent and the average workweek for all employees on private nonfarm payrolls decreased to 34.4 hours, April's jobs report was quite positive for the most part. With total employment increasing by 293,000, and total unemployment declining by 83,000, the national jobless rate dropped to 7.5 percent, the lowest rate recorded since December 2008.

Recent jobs revisions were also very encouraging, as February's total job creation rose from 268,000 to 332,000, the highest monthly total since May 2010. And March's previously disappointing figures improved, rising to 138,000. As a result of these revisions, 208,000 new jobs have been generated per month, on average, since November 2012.

### Sector changes observed in April



Source: BLS

In fact, new jobs have now been added to the national economy every month since March 2010. A majority of these positions have been generated by the private sector.

“The economy has now added private sector jobs every month for 38 straight months, and a total of 6.8 million jobs have been added over that period,” said Alan Krueger, chairman of the Council of Economic Advisers. “Over 800,000 private sector jobs have been added over the last four months.”

Although we are still working toward full recovery, most of the results of April’s jobs report indicate that steady economic progress is occurring. Since January, unemployment has decreased by 673,000, while nonfarm payroll employment has risen by 169,000 per month, on average, since April 2012. In addition, average hourly earnings continued to progress in April, rising to \$23.87, the sixth consecutive month of increases.

As a further sign of continuous economic recovery, private sector hiring rose for the 38th consecutive month in April, according to the BLS’ latest jobs report.

The report found that, in spite of a decline of 11,000 public sector jobs, 176,000 new private sector jobs were generated, a vast improvement in comparison to March’s figures, a month in which the sector only recorded 95,000 hires.

Although some private sectors, like information, reported job losses, a majority added employees to payrolls last month, including each of the following sectors.

- **Healthcare:** Hiring remained robust in April, rising by 19,000, as 14.53 million healthcare professionals were employed. As usual, a majority of the hiring occurred in ambulatory healthcare services, which generated 13,600 new jobs.
- **Finance:** After sector employment deteriorated by 2,000 in March, hiring rebounded last month, rising by 9,000, the highest monthly job creation total of 2013. To compare, since January, the sector has added an average of 5,000 new jobs to the national economy per month.
- **Leisure and Hospitality:** Employment continued to upswing within the sector last month, as 43,000 professionals were hired. In all, 14.1 million professionals were employed, mostly within food services and drinking establishments.
- **Professional and Business Services:** Back in March, economists were quite pleased with the sector’s employment figures, as hiring rose by 51,000. The upsurge continued in April, as 73,000 new jobs were created, a considerable improvement when compared to recent job growth trends. Since April 2012, the sector has added 48,917 jobs to the economy per month, on average.
- **Retail Trade:** With employment deteriorating substantially in March, as 24,100 job losses were recorded, some economists did not anticipate strong employment figures in April. But, to their surprise, total employment rose by 29,300, as most new hires occurred in general merchandise stores.
- **Temporary Help Services:** The sector has reported steady job growth since February. Last month, 30,800 hires were documented, leading to a total of 67,100 new hires since early February.

## Soliant Insights

On August 5, 2011, President Barack Obama issued a challenge to the United States' private sector: train or hire at least 100,000 unemployed veterans or their spouses by December 31, 2013.

As Obama issued his challenge, some economists questioned whether or not it would actually be fulfilled. After all, 877,000 veterans aged 18 and above, were without work at the time, as the veteran unemployment rate was 7.7 percent.

But, significant progress has occurred since then. According to the BLS' latest jobs report, total veteran unemployment was measured at 693,000 in April, while the jobless rate had decelerated to 6.2 percent.

In fact, on April 30, 2013, First Lady Michelle Obama announced that President Obama's original challenge has already been fulfilled, months in advance of his target date. As of April, 290,000 veterans and spouses have either been trained or hired, nearly three times as many as some analysts, and President Obama himself, expected.

However, the Obamas, along with financial experts throughout the country, understand that veteran unemployment is still far too high, especially for younger veterans from the post-9/11 era.

To help remedy this situation, Mrs. Obama has proclaimed a new employment goal, declaring that a variety of American companies have pledged to train or hire 435,000 more veterans and spouses by 2018.

The companies are quite diverse, serving many different industries including telecommunications, logistics, transportation and financial services. Some of these companies have committed to hiring up to 25,000 veterans within the next five years.

Such steady hiring will likely be necessary too, as the White House has also revealed that at least 1 million current Iraq and Afghanistan service members are expected to return to the United States within the next few years, leading to a possible uptick in veteran unemployment.

In the meantime, Mrs. Obama also recently announced the establishment of an IT Training and Certification Partnership, which will allow approximately 161,000 service members to receive IT certifications in order to become more marketable for competitive technology careers, such as security analysts and computer programmers.

Other similar programs are currently being considered for future implementation, focusing on sectors like transportation and healthcare, according to the White House.

So, will the veteran unemployment rate continue to drop this year? Will other companies join in the commitment to veteran employment? And, what other initiatives will the Obama administration pass to ensure each of the nation's service members have a fruitful financial future once they return home?