



U6 Fix

April Jobs: More of the Same

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The April jobs report was a return to a familiar pattern. Job growth was solid – up 223,000 – but not dramatic. Meanwhile jobs in March were revised down from the already-weak 126,000. At the same time, the unemployment rate fell by 0.1 percent to 5.4 percent even as labor force participation climbed by 0.1 to 62.8 percent. Good moves in the right direction.

The report showed strong growth in construction and leisure and hospitality industries, suggesting that last month's debacle was at least in part weather-driven.

Unfortunately, the Achilles heel of the labor market remains: weak growth in wages. Average hourly earnings rose only 0.1 percent and weekly earnings are growing at a 1.4 percent annual rate. Weekly hours remained flat, producing little in growth of labor income.

Unemployment rates moved in opposite directions for the most vulnerable: teens (down 0.4 percent) and Hispanics (up 0.1 percent).

Data junkies here's your fix: the April U-6 (the broadest measure of unemployment) fell from 10.9 percent to 10.8 percent, driven by a decline in the long-term unemployed.

The bottom line: The April jobs report was a rebound from the horror show in March. However, it is a continuation of a pattern in the labor market of producing jobs, but not income.