

April 16nd, 2011

ECONOMIC UPDATE: WHAT NATIONAL TRENDS MEAN FOR LOCAL PLANNING

**2011 National Conference of the National
Association of Planning Councils**

Heidi Shierholz

Economist, Economic Policy Institute

Economic Policy Institute

Research and Ideas for Shared Prosperity

WHERE WE ARE NOW

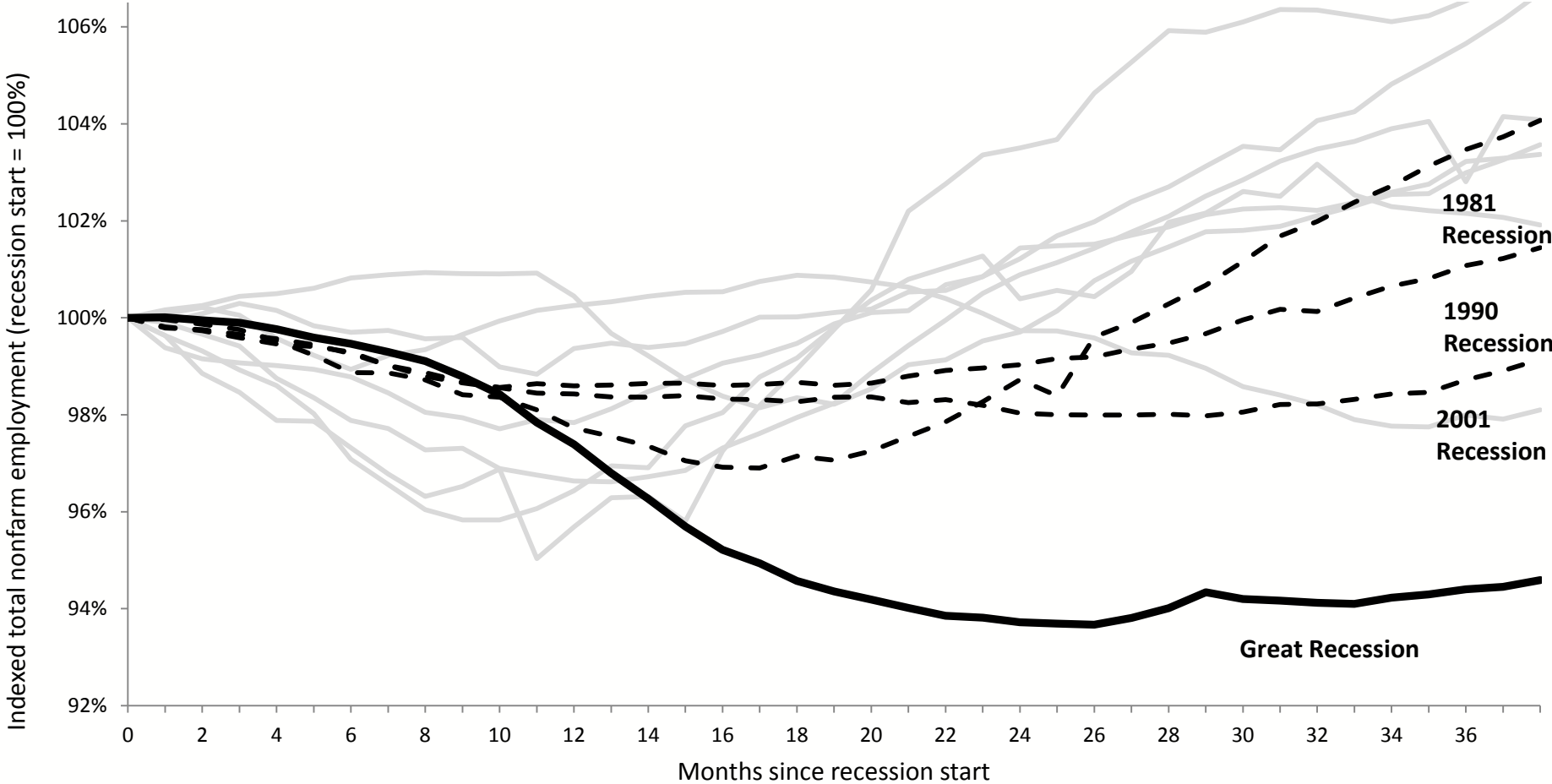


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Still at the bottom of a very deep crater

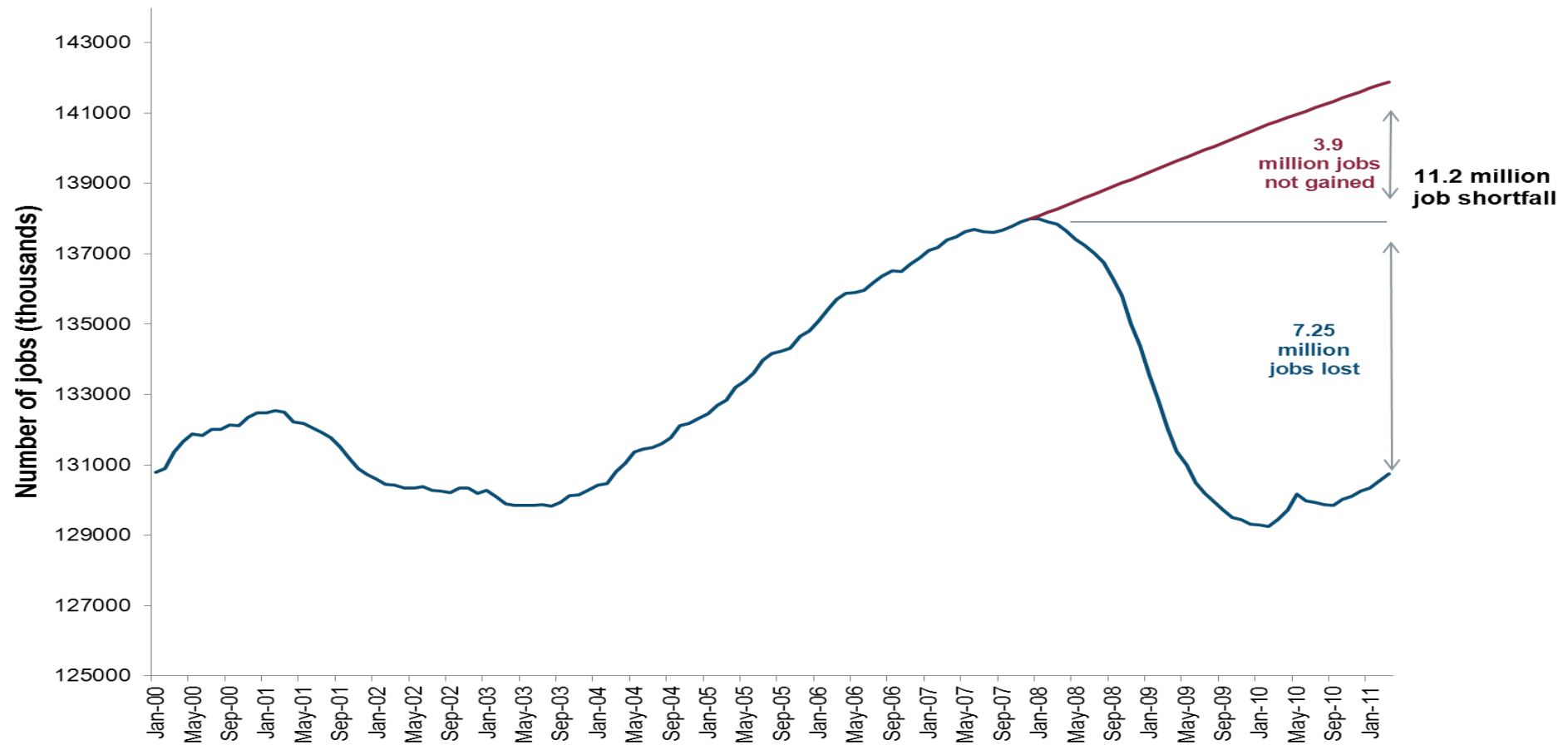
Indexed job loss in all post-WWII recessions



Note: Grey lines are not labeled but represent recessions starting in 1948, 1953, 1957, 1960, 1969, 1973, and 1980.
Source: EPI analysis of Bureau of Labor Statistics data



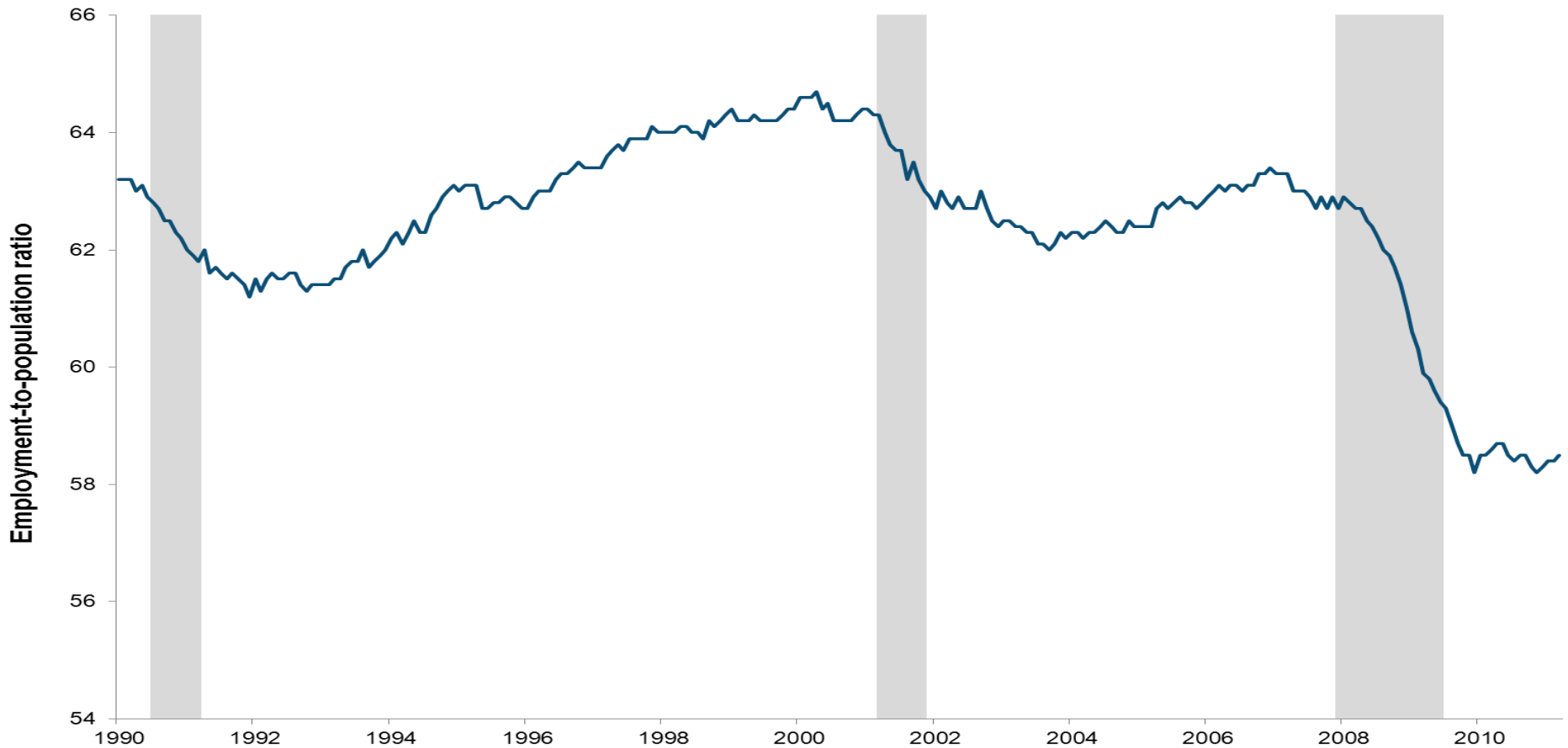
Shortfall of over 11 Million jobs



Source: EPI analysis of Bureau of Labor Statistics data.



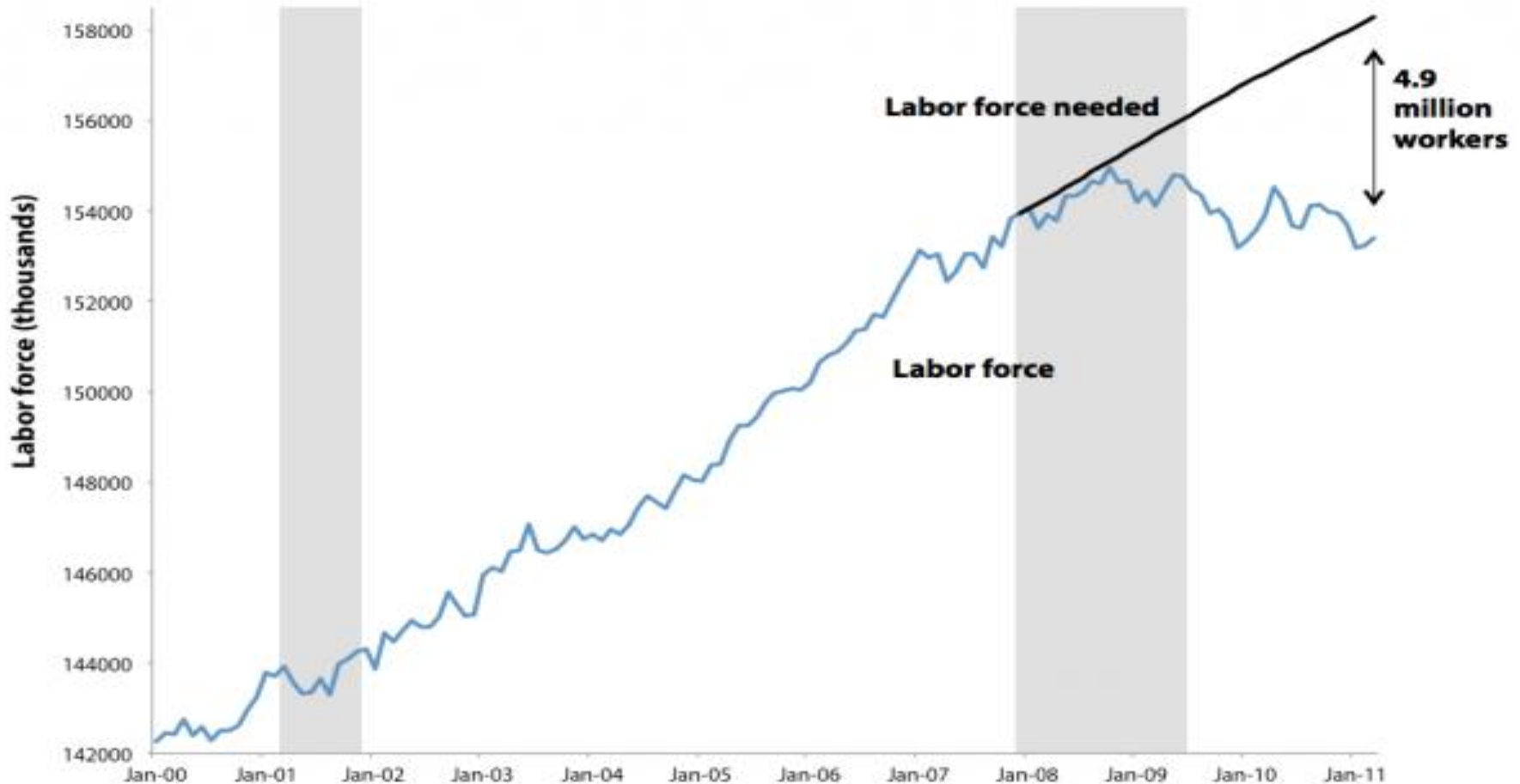
Actually – no improvement over last year



Note: Shaded areas denote recession.

Source: Bureau of Labor Statistics, Current Population Survey.

Missing workers



Note: Shaded areas denote recession.

Source: EPI analysis of Bureau of Labor Statistics, Current Population Survey.

Great Recession smashes unemployment duration records



1948 1950 1952 1954 1956 1958 1960 1962 1964 1966 1968 1970 1972 1974 1976 1978 1980 1982 1984 1986 1988 1990 1992 1994 1996 1998 2000 2002 2004 2006 2008 2010

Note: Shaded areas denote recession.

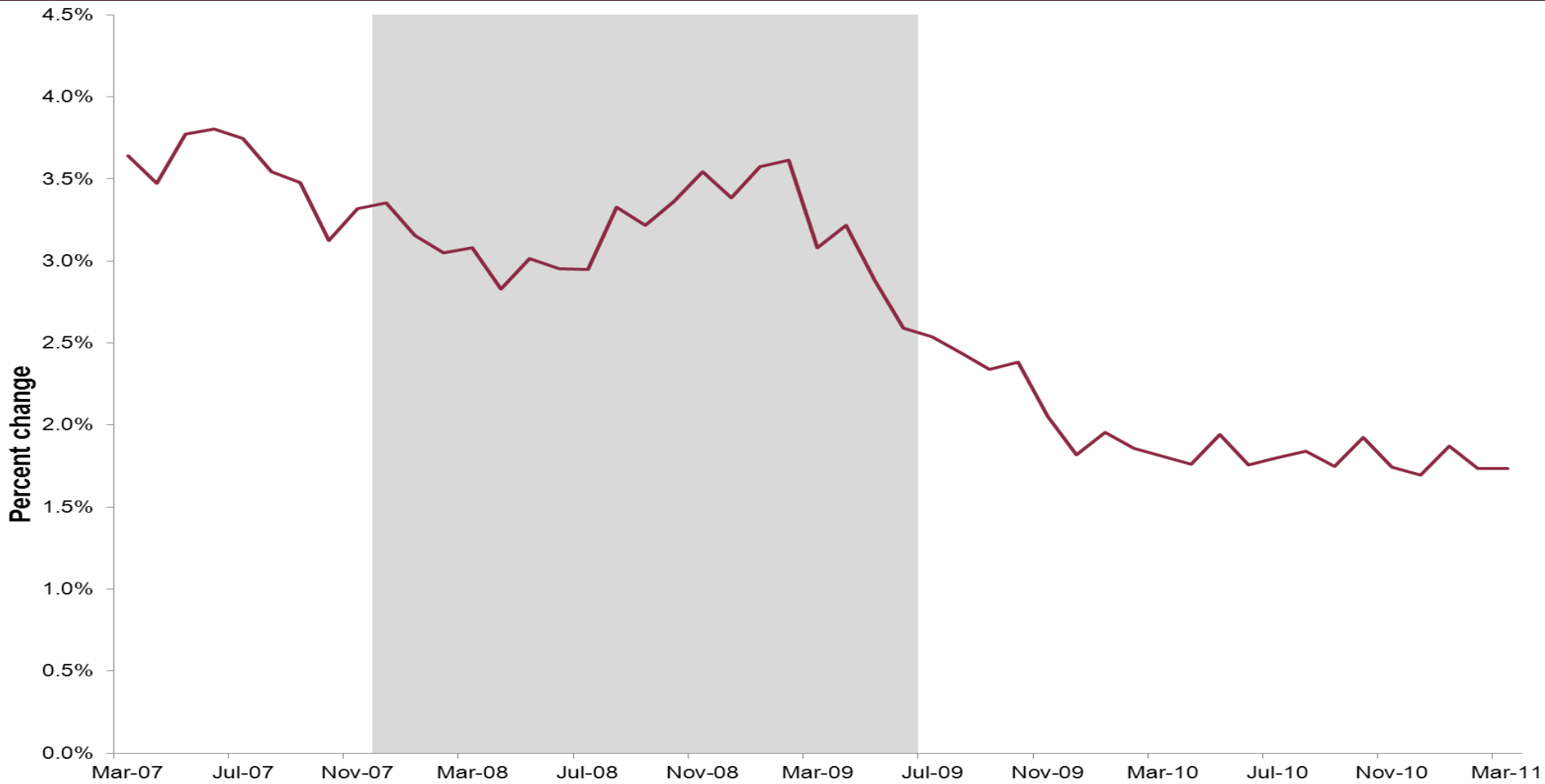
Source: EPI analysis of Bureau of Labor Statistics data



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Wage Growth Falling: Year-over-year growth in nominal average hourly earnings



Note: Shaded area denotes recession.
Source: EPI analysis of Bureau of Labor Statistics data.



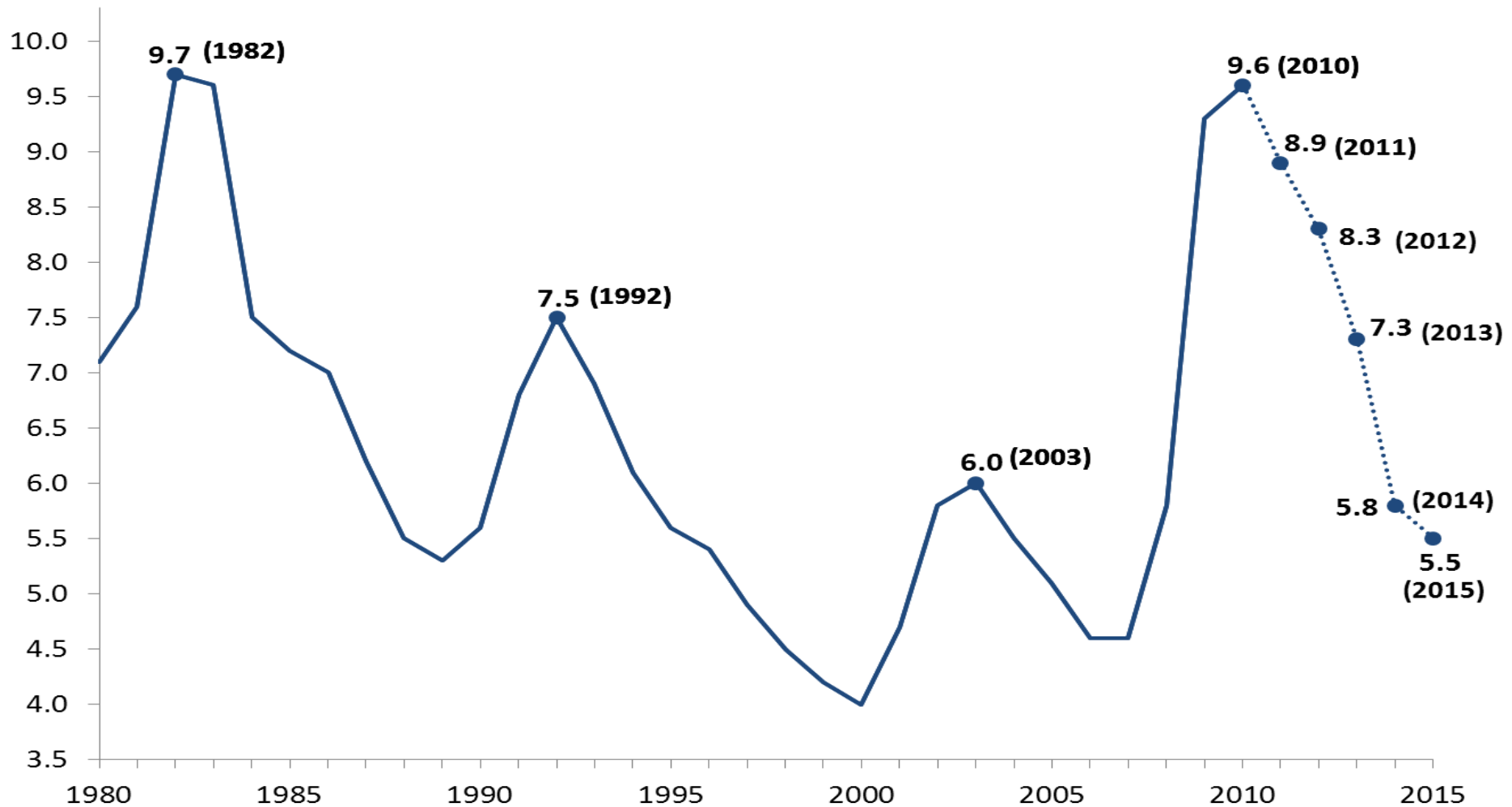
WHERE WE ARE HEADED



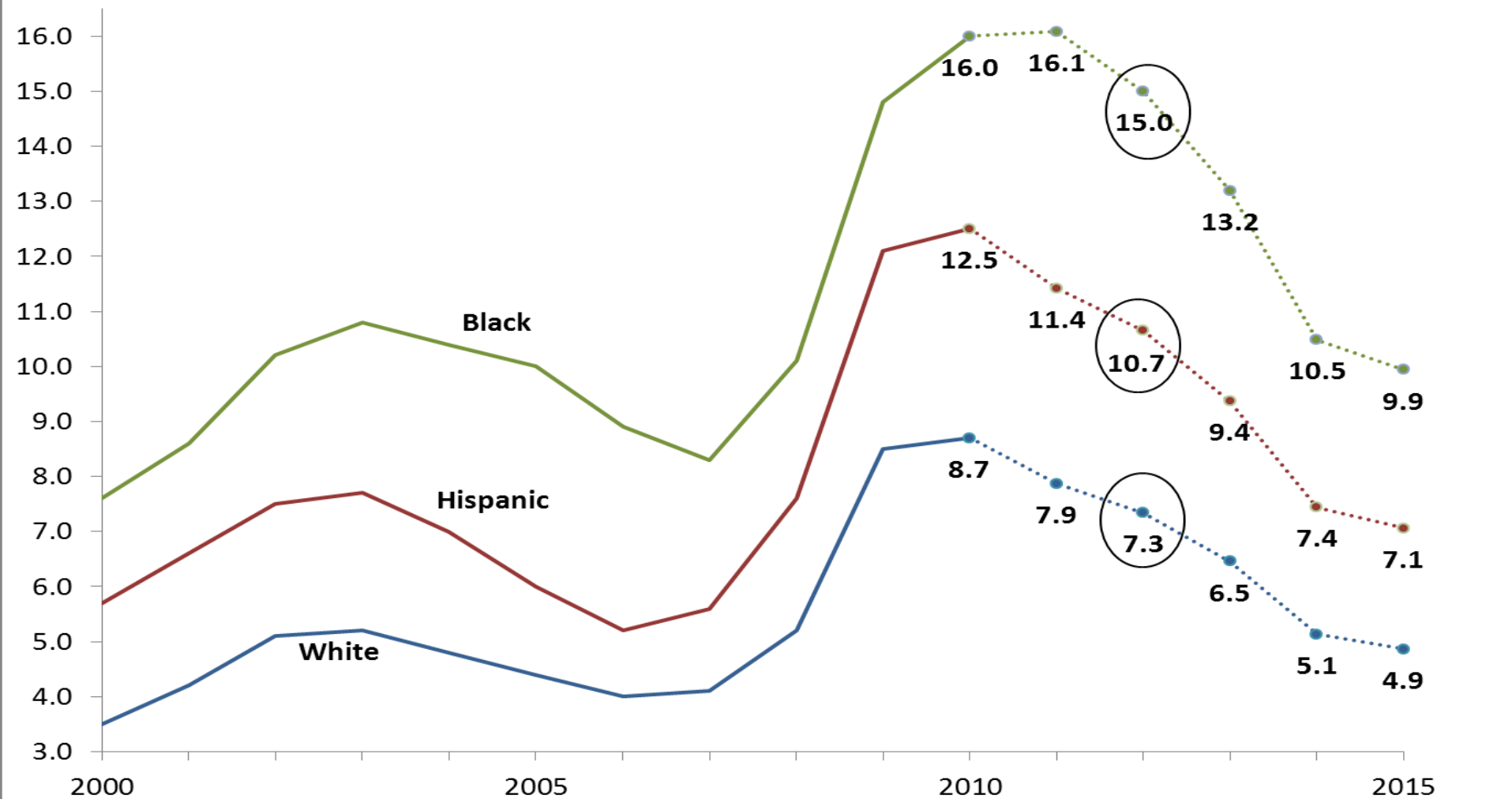
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Unemployment projections



Unemployment projections by race (2012 circled)



Unemployment 2012 by state (US: 8.3%)

TEN HIGHEST		TEN LOWEST	
Nevada	13.5	Minnesota	6.4
California	10.8	Utah	6.1
Michigan	10.6	Oklahoma	5.9
Rhode Island	10.3	Hawaii	5.7
South Carolina	10.2	Iowa	5.5
Oregon	9.6	Vermont	5.5
Mississippi	9.5	New Hampshire	5.0
Florida	9.4	Nebraska	4.3
North Carolina	9.4	South Dakota	4.2
Arizona	9.3	North Dakota	3.6

WHAT THIS MEANS FOR LOCAL PLANNING



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**SINCE THE LABOR MARKET WILL BE
IN RECESSIONARY TERRITORY FOR
ANOTHER THREE YEARS...**

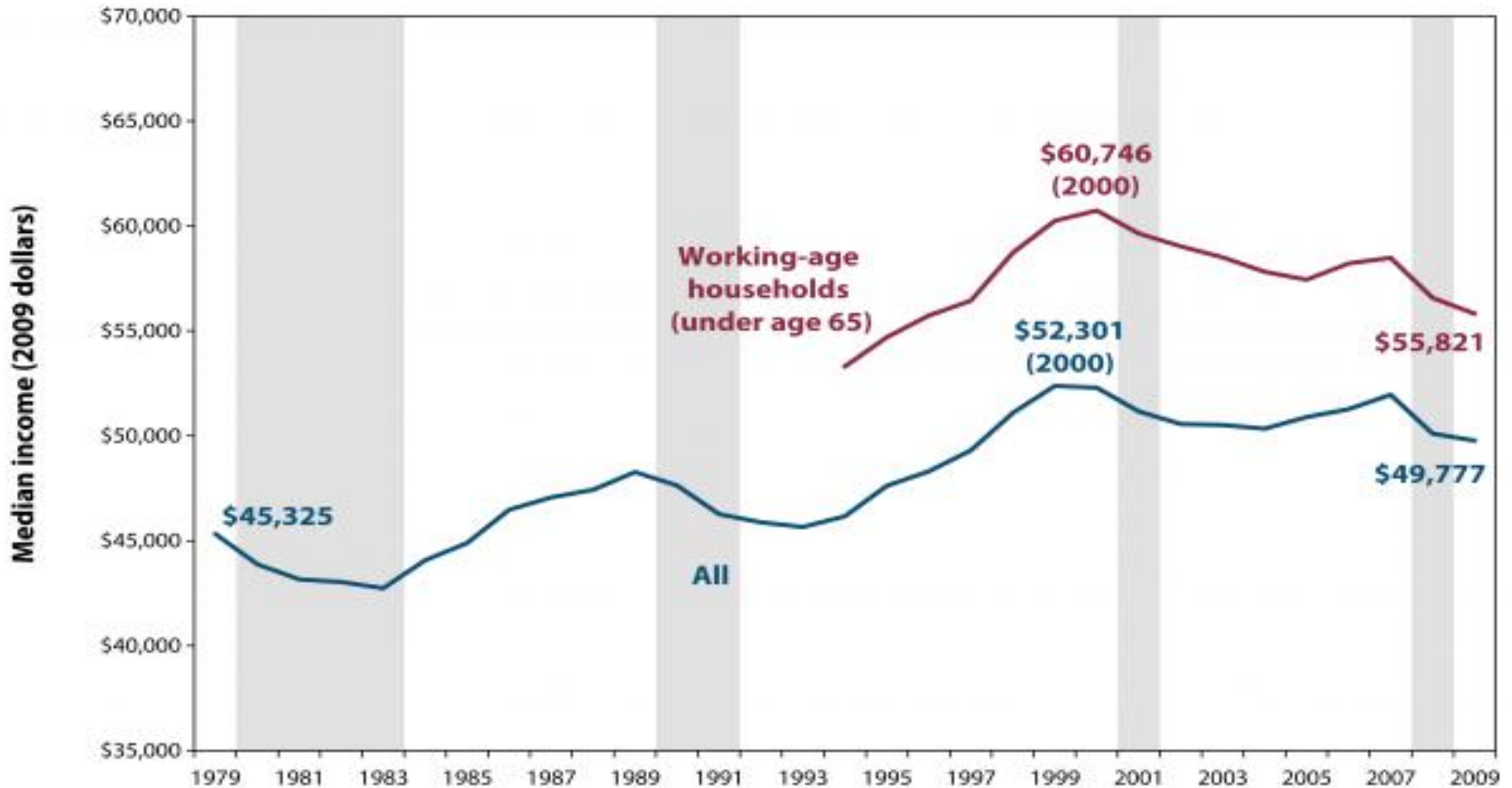
CAN'T COUNT ON JOBS



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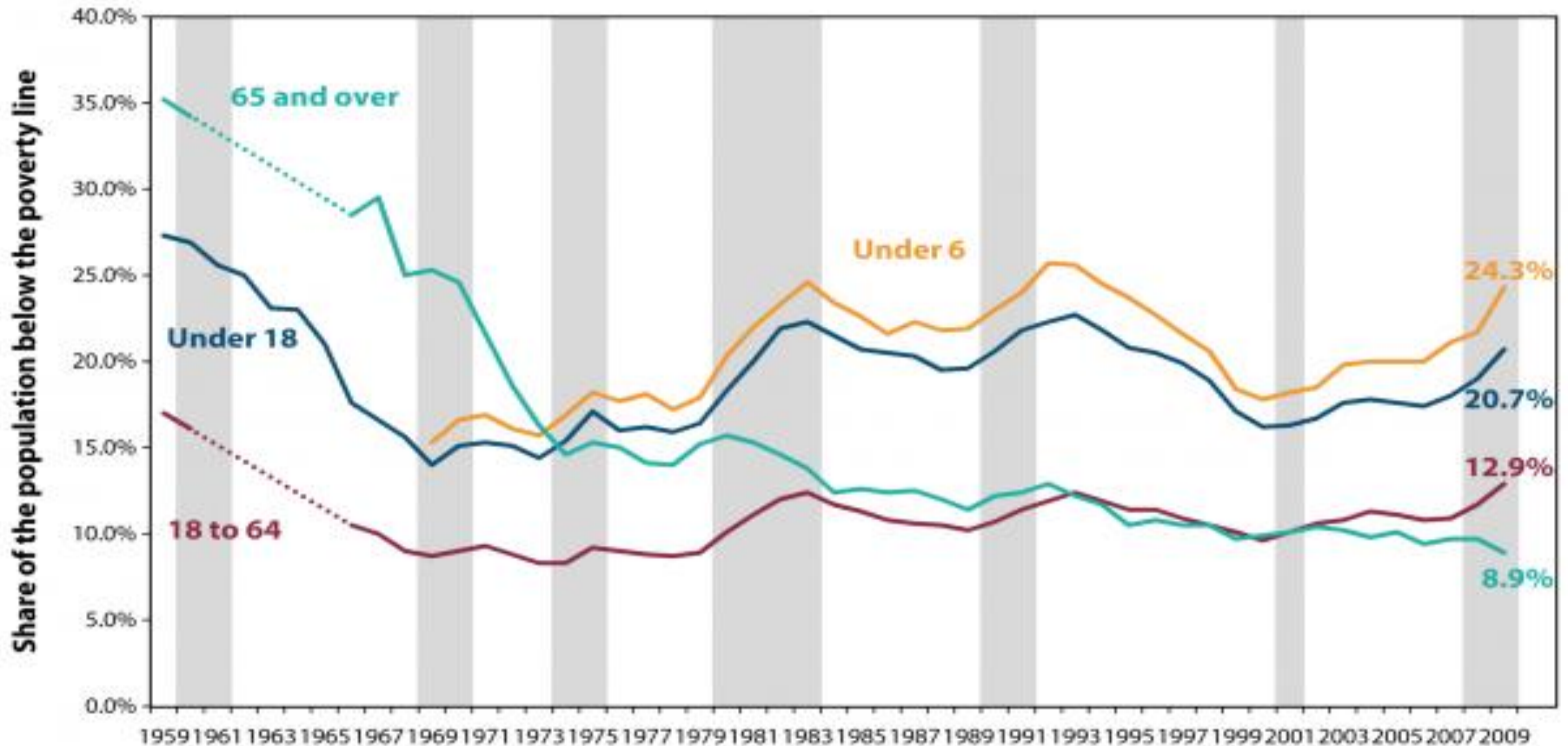
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So family incomes will continue to flounder



Note: Shaded areas denote recessions. Median income for workers age below 65 starts in 1994.
Source: EPI analysis of U.S. Census Bureau data.

And there'll be continued bad news on poverty



Note: Shaded areas denote recession.

For the 18-64 and 65 and over age groups, no formal data exists in the years between 1959 and 1966. The dotted lines denote a linear extrapolation between the earliest data point (1959) and the beginning of the complete series (1966). Data for under 6 age group dates from 1969.

Source: U.S. Census Bureau, Historical Poverty Tables.

While states continue to slash spending

It's been four years of deep cuts since the start of the recession and states are still facing *record* shortfalls for FY 2012. And federal aid is ending.

At least 39 states are proposing major cuts in core public services for Fiscal Year 2012, including education, health care, and other important public services.

Conclusion: Mission not accomplished yet

For more information

Heidi Shierholz

hshierholz@epi.org

202.533.2560

Economic Policy Institute

1333 H Street, NW

Suite 300, East Tower

Washington, DC 20005-4707

202.775.8810

www.epi.org



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