

Report: More Than 92 Million Americans Remain Out Of Labor Force

May 2, 2014 10:37 AM



File photo of a job fair. (credit: Joshua Lott/Getty Images)

WASHINGTON (**CBSDC/AP**) — Despite the unemployment rate plummeting, more than 92 million Americans remain out of the labor force.

The unemployment rate dropped to 6.3 percent in April from 6.7 percent in March, the lowest it has been since September 2008 when it was 6.1 percent. The sharp drop, though, occurred because the number of people working or seeking work fell. The Bureau of Labor Statistics does not count people not looking for a job as unemployed.

The bureau noted that the civilian labor force dropped by 806,000 last month, following an increase of 503,000 in March.

The amount (not seasonally adjusted) of Americans not in the <u>labor force</u> in April rose to 92,594,000, almost 1 million more than the previous month. In March, 91,630,000 Americans

were not in the labor force, which includes an aging population that is continuing to head into retirement.

Read: Police To 'Live Tweet' Prostitution Sting

"The labor force participation rate fell by 0.4 percentage point to 62.8 percent in April. The participation rate has shown no clear trend in recent months and currently is the same as it was this past October. The employment-population ratio showed no change over the month (58.9 percent) and has changed little over the year," the bureau said in a <u>statement</u>.

The number of unemployed Americans decreased by 733,000 to 9.8 million last month.

"The number of long-term unemployed (those jobless for 27 weeks or more) declined by 287,000 in April to 3.5 million; these individuals accounted for 35.3 percent of the unemployed. Over the past 12 months, the number of long-term unemployed has decreased by 908,000," the press release stated.

Employers have now added an average of 238,000 jobs the past three months, up from 167,000 in the previous three.

"Not only is job growth continuing, but it is accelerating," said Patrick O'Keefe, director of economic research at the accounting and consulting firm CohnReznick.

Sal Guatieri, an economist at BMO Capital Markets, said the surge in hiring "signals that American companies are optimistic the economy will snap back smartly after the largely weather-related slump in the first quarter."

Read: 82% Of Virginians In Obamacare Get Financial Help To Pay Premiums

The fall in the unemployment rate was due mainly to the exodus of people who stopped looking for work. O'Keefe said he was surprised by the 806,000 drop in the number of Americans either with a job or seeking one. But he noted that that figure is volatile from month and month and that during the first three months of 2014, nearly 1.3 million people had poured into the labor force.

The White House posted on its <u>blog</u> that businesses have added more than 9.2 million jobs over the past 50 months.

"The employment data can fluctuate from month-to-month, and while this month's report happens to be above expectations, it is still broadly consistent with the recent trends we have been seeing in the labor market," Jason Furman, chairman of President Barack Obama's Council of Economic Advisers, wrote on the White House blog. "The President continues to emphasize that more can and should be done to support the recovery, including acting on his own executive authority to expand economic opportunity, as well as pushing Congress for additional investments in infrastructure, education and research, an increase in the minimum wage, and a reinstatement of extended unemployment insurance benefits."

House Speaker John Boehner called the jobs report "troubling."

"[W]hile it's welcome news that more of our friends and neighbors found work in the past month, this report also indicates more than 800,000 Americans left the workforce last month, which is troubling," Boehner said in a <u>statement</u>. "We need more robust economic growth if we're going to help the millions who remain unemployed get back on their feet."

http://washington.cbslocal.com/2014/05/02/report-more-than-92-million-americans-remain-out-of-labor-force/