



Understanding the Economy: State-by-State Snapshots

EXECUTIVE SUMMARY

This is the seventh edition of the state-by-state snapshots issued by the Joint Economic Committee, containing employment and unemployment data at the state level for the first half of 2010. While the current recovery remains fragile and uneven, as a whole, the economic situation of the country has improved over the past year:

- Although the gross domestic product (GDP) figure for the second quarter of 2010 has not yet been released, the consensus forecast is that the economy grew by approximately 3 percent, which would be the fourth consecutive quarter of growth. In contrast, in the second quarter of 2009 GDP fell, which was the fourth consecutive quarter of economic contraction.
- Private sector employment rose by 593,000 jobs in the first half of 2010, after six consecutive months of job creation. In contrast, employment fell by 3.7 million jobs in the first half of 2009. More recently, private sector private sector employment rose by 83,000 jobs in June, after having fallen by 452,000 jobs in June 2009.

While these numbers suggest that the economy has started to recover, a stronger, sustained level of job creation is needed to reduce the large pool of unemployed workers. The national unemployment rate was 9.5 percent in June 2010, below the peak of 10.1 percent reached in October 2009.

Private sector job creation during the Clinton administration averaged 217,000 jobs each month. However, even with 200,000 jobs created each month, it would take over 3 years to recreate the 8.5 million private sector jobs lost from December 2007 to December 2009, so unemployment rates are likely to remain high for the foreseeable future.

This month, in addition to the state-by-state update, the JEC has prepared a Mid-Year Report, highlighting the progress states have made creating jobs and reducing unemployment since the beginning of the year (see table on Page 3).

Highlights include:

- In thirty-three states and the District of Columbia, the unemployment rate in June 2010 was lower than in December 2009.
- In thirty-nine states and the District of Columbia, the unemployment rate declined over the month of June 2010.¹
- Thirty-two states and the District of Columbia added private sector jobs in June 2010 and three states – Idaho, Massachusetts and Texas – added private sector jobs each month in the first half of 2010.

¹ The decline in the unemployment rate was statistically significant for 19 states and the District of Columbia.

- Half the states added manufacturing jobs in June 2010 and five states – New Hampshire, Florida, Tennessee, Texas and Indiana – have experienced growth in manufacturing employment each month during the first half of 2010.
- Twenty-eight states and the District of Columbia added jobs in the professional and business services sector during June 2010, with two states – Texas and California – gaining jobs in this sector each month in the first half of 2010.

For the United States as a whole, employment has grown in the manufacturing, professional and business services, and leisure and hospitality sectors.² One particularly bright spot in recent months is the manufacturing sector. The U.S. manufacturing sector has shown tentative signs of progress in 2010, after unrelenting employment losses starting in February 2007. The manufacturing sector has expanded for six consecutive months, adding a total of 136,000 jobs in the first six months of 2010. The last time that the U.S. saw more than one consecutive month of manufacturing employment gains was between December 2005 and April 2006, when 51,000 jobs were added. The attached table shows how this national progress also shows up at the state level. However, employment in the manufacturing sector remains fragile. June's gain of only 9,000 manufacturing jobs is the smallest employment gain in the first half of 2010, indicating that this sector is still weak.

In addition, in order to provide a clearer picture of economic performance at a more local level, the Joint Economic Committee has prepared a snapshot of the current economic climate within each state. The attached state pages highlight key economic statistics for each state:

- Jobs created or lost since the start of the recession;
- Jobs saved or created by the Recovery Act;
- Unemployment rates;
- Per capita earnings; and,
- The condition of the housing sector.

The reports provide an easy way for state residents to see how their state is currently performing relative to the rest of the United States in terms of the current unemployment rate as well as the magnitude of job losses experienced since the start of the recession.

In response to the severity of the Great Recession, Congress strengthened the safety net for those whose jobs were eliminated during this recession by passing a series of extensions to unemployment benefits. As the recession has continued to take its toll on working families, a number of emergency extensions have been provided to continue this safety net. Congress has signaled its intent to extend the existing tiers of benefits retroactively until November 30, 2010.

While the road to economic recovery remains slow and uneven, it is clear that the swift action taken by Congress and the President in February 2009 brought the economy back from the brink of another Great Depression. The Recovery Act is responsible for restoring economic growth in the second half of 2009, boosting employment, and laying the groundwork for additional job creation and growth. That recovery has continued, with GDP growth of 2.7 percent in the first quarter of 2010. However, high unemployment rates, particularly long-term unemployment rates, suggest that targeted actions are warranted to create jobs and to continue providing a safety net for families hurt by the recession.

² Employment has also grown in the following sectors: mining and logging; trade, transportation and utilities; education and health services; other; and government.

Joint Economic Committee State-by-State Snapshots: Mid-Year Report

	UNEMPLOYMENT RATE		PRIVATE SECTOR		MANUFACTURING SECTOR		PROFESSIONAL AND BUSINESS SERVICES SECTOR	
	Down over the month (June 2010)	Down from December 2009	Added jobs over the month (June 2010)	Added jobs in at least 3 months in 2010	Added jobs over the month (June 2010)	Added jobs in at least 3 months in 2010	Added jobs over the month (June 2010)	Added jobs in at least 3 months in 2010
Northeast								
CT	✓	✓	✓	✓	✓	✓	✓	✓
ME	✓	✓	✓	✓	✓	✓	✓	✓
MA	✓	✓	✓	✓	✓	✓	✓	✓
NH	✓	✓	✓	✓	✓	✓	✓	✓
RI	✓	✓	✓	✓	✓	✓	✓	✓
VT	✓	✓	✓	✓	✓	✓	✓	✓
NJ	✓	✓	✓	✓	✓	✓	✓	✓
NY	✓	✓	✓	✓	✓	✓	✓	✓
PA	✓	✓	✓	✓	✓	✓	✓	✓
South								
DE	✓	✓	✓	✓	✓	✓	✓	✓
DC	✓	✓	✓	✓	✓	✓	✓	✓
FL	✓	✓	✓	✓	✓	✓	✓	✓
NC	✓	✓	✓	✓	✓	✓	✓	✓
SC	✓	✓	✓	✓	✓	✓	✓	✓
VA	✓	✓	✓	✓	✓	✓	✓	✓
WV	✓	✓	✓	✓	✓	✓	✓	✓
AL	✓	✓	✓	✓	✓	✓	✓	✓
KY	✓	✓	✓	✓	✓	✓	✓	✓
MS	✓	✓	✓	✓	✓	✓	✓	✓
TN	✓	✓	✓	✓	✓	✓	✓	✓
AR	✓	✓	✓	✓	✓	✓	✓	✓
LA	✓	✓	✓	✓	✓	✓	✓	✓
GA	✓	✓	✓	✓	✓	✓	✓	✓
TX	✓	✓	✓	✓	✓	✓	✓	✓
MD	✓	✓	✓	✓	✓	✓	✓	✓
Midwest								
IL	✓	✓	✓	✓	✓	✓	✓	✓
IN	✓	✓	✓	✓	✓	✓	✓	✓
MI	✓	✓	✓	✓	✓	✓	✓	✓
OH	✓	✓	✓	✓	✓	✓	✓	✓
WI	✓	✓	✓	✓	✓	✓	✓	✓
IA	✓	✓	✓	✓	✓	✓	✓	✓
KS	✓	✓	✓	✓	✓	✓	✓	✓
MN	✓	✓	✓	✓	✓	✓	✓	✓
MO	✓	✓	✓	✓	✓	✓	✓	✓
OK	✓	✓	✓	✓	✓	✓	✓	✓
NE	✓	✓	✓	✓	✓	✓	✓	✓
ND	✓	✓	✓	✓	✓	✓	✓	✓
SD	✓	✓	✓	✓	✓	✓	✓	✓
West								
AZ	✓	✓	✓	✓	✓	✓	✓	✓
CO	✓	✓	✓	✓	✓	✓	✓	✓
ID	✓	✓	✓	✓	✓	✓	✓	✓
MT	✓	✓	✓	✓	✓	✓	✓	✓
NV	✓	✓	✓	✓	✓	✓	✓	✓
NM	✓	✓	✓	✓	✓	✓	✓	✓
UT	✓	✓	✓	✓	✓	✓	✓	✓
WY	✓	✓	✓	✓	✓	✓	✓	✓
AK	✓	✓	✓	✓	✓	✓	✓	✓
CA	✓	✓	✓	✓	✓	✓	✓	✓
HI	✓	✓	✓	✓	✓	✓	✓	✓
OR	✓	✓	✓	✓	✓	✓	✓	✓
WA	✓	✓	✓	✓	✓	✓	✓	✓
Total US	✓	✓	✓	✓	✓	✓	✓	✓
Count of States	40	34	33	46	3	25	37	58
N/A - Data is not reported for this sector								
					3	5	5	2