



## ECONOMIC UPDATE

April 3, 2023

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### This Week in Focus:

For anyone following the economic news this holiday week, the highlight will be the Employment Situation Report (“Jobs Day”) on Friday, from the Bureau of Labor Statistics. Forecasters are expecting to see the labor market cool slightly, while remaining strong by historical standards. The data will reflect conditions during the week of March 13<sup>th</sup>, before the recent disruptions in financial markets, so there will be some discussion of how conditions may have changed since then. The unemployment claims numbers which come out on Thursday and cover the week ending April 1<sup>st</sup>, will provide important context.

While there won’t be any congressional hearings to watch this week, we hope that our new products on [employment](#) at the state level and the [costs](#) of debt-limit brinksmanship at the state and district level will come in handy over the state/district work period.

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### JEC Resources

- [State By State Fact Sheets: February Employment Data](#)
- [The Steep Costs of a Republican Default Crisis - State And District Data](#)
- [Despite Making Critical Contributions to The Labor Force, Women Face Obstacles to Economic Prosperity](#)
- [Women’s Entrepreneurship Is Growing Rapidly](#)
- [Public Investments Improved the Economic Status of Black Americans, But Significant Barriers to Economic Opportunity and Security Remain](#)

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### Economic Indicators This Week

*Below are a series of economic indicators that will be released later this week, along with the consensus estimates from a group of professional forecasters about what the data point will be once it is reported. Oftentimes, news coverage of these indicators will report whether the final number came in above or below the expectations set by the forecasters’ consensus.*

- **Tuesday, April 4:** Job Openings and Labor Turnover Survey – Consensus estimates indicate that job openings fell to **10.5** million in February, down from 10.8 million the prior month.
- **Thursday, April 6:** Unemployment Claims – The consensus estimate sees unemployment claims rising to **200 thousand** for the week ending April 1<sup>st</sup>, up from 198K the prior week.
- **Friday, April 7:** Jobs Day – Employment is expected to grow by 240 thousand for March with unemployment unchanged at 3.6%. Average hourly earnings are expected to have risen by 0.3%.

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## What You Need to Know

- **The value of regional banks**—As mid-sized lenders have come under pressure in the wake of Silicon Valley Bank's collapse, experts say their role in the [economy](#) must be preserved.
- **Households are hit hard**—A new [round](#) of adjustments to federal benefits is changing spending calculations for millions of households across the country. This could dent U.S. economic activity at a time when there are already heightened fears of a recession.
- **The best jobs markets in America**—See how your region [stacks](#) up against the best labor markets in the United States.
- **Oil production cut backs affecting the general market**—Oil prices [rose](#) on Monday after Saudi Arabia and other major producers announced a surprise cut in crude production.
- **McDonald's prepares for company-wide layoffs**—McDonald's is temporarily [closing](#) its U.S. offices this week as it prepares to inform corporate employees about layoffs undertaken by the burger giant as part of a broader company restructuring.

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## What to Read From the Think Tank World

- Economic Policy Institute finds that [corporate profits](#) have contributed to more than a third of price growth.
- Economic Policy Institute analysis shows that women are paid roughly [22% less](#) than men on average—a gap that has widened from 2019 to 2022.
- The New York Fed finds that population aging—rather than long COVID or changes in retirement behavior—has driven most of the [labor force participation gap](#) since February 2020.
- Tax Policy Center says [President Biden's CTC proposal](#) in the budget has some positives, reviving 2021's enhanced child tax credit (CTC), but would increase complexity and deliver benefits to some very well-off families.
- Tax Policy Center spotlights research that finds \$4 trillion in U.S. wealth is stashed overseas in [tax havens](#).

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## Latest Academic Articles Selected From NBER

*The National Bureau of Economic Research, a private research organization, circulates a series of working papers in economics every Monday morning. Because it takes a long time for articles to appear in peer-reviewed journals, many economists look to this series for the latest academic research findings. These are our selected recommendations from the latest papers out this morning.*

- [Wealth and Property Taxation in the United States](#)
- [The Health Wedge and Labor Market Inequality](#)
- [Unpacking Social Capital](#)