

## ECONOMIC UPDATE

November 4, 2022

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### Economic Issue in Focus: The U.S. Added 261,000 Jobs in October, Indicating Continued Economic Strength in the Face of Global Inflation

The U.S. added 261,000 jobs in October, according to the latest [data](#) from the Bureau of Labor Statistics. Democrats' investments in workers, families and small businesses have helped create nearly 10.3 million jobs in 21 consecutive months of growth under President Biden, including gains in every [congressional district](#) and [every state](#). At this stage in the recovery, the pace of job growth is returning to a more steady and sustainable level, which is essential to the fight against inflation.

Job growth continued across industries in October, with some of the strongest gains in manufacturing, education and health services and government. Following decades of manufacturing decline, Democrats have helped create 32,000 new manufacturing jobs in October and 738,000 since President Biden came into office, including gains in almost every state. Manufacturing has more than fully recovered its job losses from the pandemic recession, and investments like the CHIPS and Science Act and the bipartisan Infrastructure Investment and Jobs Act will do more to support U.S. industry, improve our supply chains and promote economic growth for years to come.

Despite ticking up slightly to 3.7% this month, the unemployment rate is hovering near 50-year lows—and has remained historically low for the last eight months. Across races and ethnicities, unemployment rates have improved significantly since President Biden came into office, but persistent disparities make clear there is more work to do.

Although prices remain too high, straining household budgets, strong economic growth and a healthy labor market reflect economy-wide resilience that is helping workers secure better jobs with higher wages. The economy grew 2.6% in the third quarter of the year, reversing a contraction in the first half of the year and exceeding expectations. And by passing the Inflation Reduction Act, Democrats are cutting costs for workers and families and reducing inflationary pressure long term.

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### Key Economic Indicators to Track

- **The Federal Reserve Raised Interest Rates by 75 Basis Points:** The Federal Reserve Open Market Committee announced its [decision](#) Wednesday to raise interest rates by three-quarters of a percentage point to combat inflation. The Fed indicated that additional rate hikes will likely be necessary, reiterating its commitment to returning the economy to maximum employment and a long-run inflation rate of 2%.
- **Filings for Initial Unemployment Insurance Claims Remain Near the Lowest Level in Decades:** [Data](#) from the Department of Labor show the number of Americans who

filed new claims for unemployment decreased slightly to 217,000, from 218,000, during the week ending October 29. Over the last four weeks, the average number of Americans receiving unemployment insurance benefits is down by 70% since President Biden came into office.

- **Job Openings, Hires and Separations Data Provide More Evidence of Labor Market Strength:** [Data](#) from the Bureau of Labor Statistics released Tuesday on job openings and separations show that the labor market remains strong, as the number of job openings increased to 10.7 million, offsetting much of August's decline. The number of hires and quits edged down slightly to 6.1 million and 4.1 million, respectively, but both remain elevated as demand for workers and worker confidence remain high.
- **The Bureau of Labor Statistics Will Release New Inflation Data Next Week:** The Bureau of Labor Statistics will release October Data on the Consumer Price Index on November 10.

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### **JEC Spotlight: American Indians and Alaska Natives Saw a Robust Labor Market Recovery from the Pandemic Recession**

The JEC released a [new report](#) in honor of American Indian and Alaska Native Heritage Month. The report builds upon previous [JEC analysis](#) and highlights how this Congress' investments in American Indians and Alaska Natives (AIAN) have helped boost employment and support economic recovery in these communities.

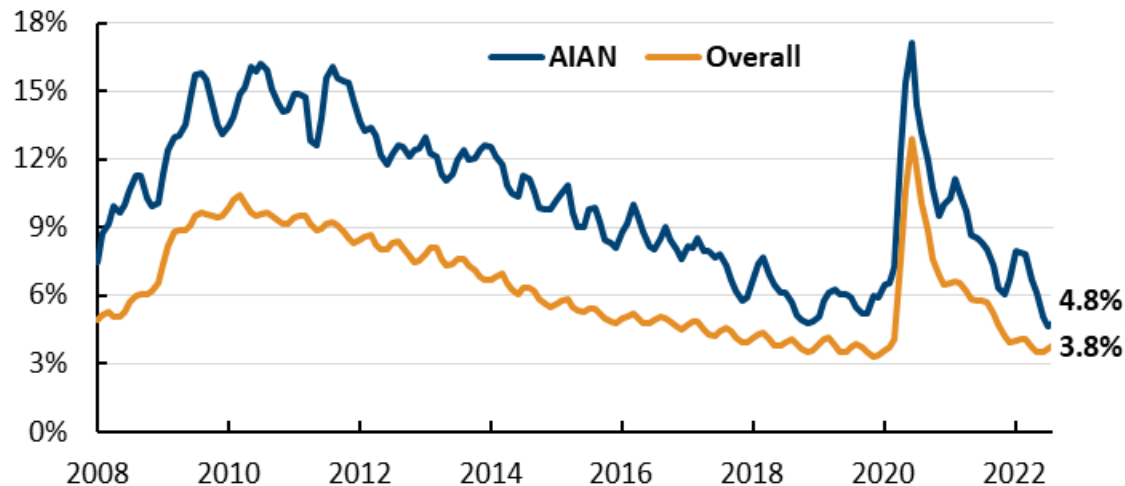
In April 2020, the jobless rate for people identifying as American Indian or Alaskan Native was higher than that of the total population largely because Native workers were more likely to work in service occupations that were hit hard by the pandemic and its economic aftermath. However, Democrats passing the American Rescue Plan, the single largest investment in Native communities in American history, helped reduce the [jobless rate](#) for Native workers by more than 70% and shrunk disparities in the labor market. After reaching 17.2% at the height of the pandemic recession, the unemployment rate for Native workers is now approaching historic lows at 4.8% (see figure below).

Additional investments will help further expand economic opportunity and security in Native communities. The bipartisan Infrastructure Investment and Jobs Act included \$11 billion for tribal entities to help address outstanding barriers to economic opportunity and security in tribal communities, and the bipartisan [CHIPS and Science Act](#) provided funding to strengthen STEM education at tribal universities and colleges. In addition, [the Inflation Reduction Act's](#) nearly \$700 million [investment](#) in tribal climate resilience and green energy will help spur job growth and lower energy costs in Native communities.

However, despite a historic recovery, Native workers and families continue to face [structural barriers](#) that result in lower earnings, higher poverty rates and lower homeownership rates. More targeted investments and partnerships between the federal government and tribal governments will be required to continue to expand economic participation and opportunity for Native workers and families.

## **AIAN Unemployment Nears Record Low, but Disparities Persist**

Three month rolling average unemployment, January 2008-August 2022



Source: Center for Indian Country Development, Minneapolis Federal Reserve  
Note: Data are not seasonally adjusted. AIAN refers to the population identifying as American Indian or Alaska Native, alone or in combination.



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### **Selected JEC Resources**

- [\*The U.S. Has Added Manufacturing Jobs Across the Country During the Biden Administration\*](#)
- [\*Republicans Threaten Debt Limit Default to Force Cuts to Economic Security Programs\*](#)
- [\*Repealing the Inflation Reduction Act would increase costs for families, drive up the deficit and hurt job growth\*](#)
- [\*The Economic Impacts of Contraception\*](#)
- [\*The Economic Toll of the Opioid Crisis Reached Nearly \\$1.5 Trillion in 2020\*](#)

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