

ECONOMIC UPDATE

October 7, 2022

Economic Issue in Focus: The Pace of Job Growth Is Returning to more Normal and Stable Levels, Which Is Essential to the Fight against Inflation

According to the latest [data](#) from the Bureau of Labor Statistics, the United States [added](#) 263,000 jobs in September. Job growth in September continued for the 20th consecutive month under President Biden as U.S. workers and families continue to see the benefits of a healthy labor market. The U.S. has gained 10 million jobs since President Biden came into office, the fastest job growth in history, and the U.S. has brought back more than all jobs lost during the pandemic recession. New data signal that the pace of job growth is returning to more sustainable levels, which is essential to the fight against inflation.

The unemployment rate fell to 3.5%, matching the pre-pandemic rate, which was a 50-year low. The unemployment rates for workers across races and ethnicities have improved significantly since President Biden came into office. Notably, the unemployment rate for Hispanic workers dropped to a record low of 3.8% in September. However, persistent disparities make clear there is more work to do.

The strength of the labor market rebound is a testament to Democrats' investments in workers and families. Laws like the American Rescue Plan helped contain the economic fallout of the pandemic, jumpstart the recovery and pave the way for broad-based growth that brought new jobs to every [state](#) and every Congressional [district](#).

Key Economic Indicators To Track

- **Job Openings, Hires and Separations Data Confirm the Labor Market Has Begun to Stabilize, as Job Openings Return to More Normal Levels:** [Data](#) from the Bureau of Labor Statistics released Tuesday on job openings and separations show that the labor market has begun to stabilize, as the number of private sector job openings fell by almost 10% but remains above pre-pandemic levels. Despite this recent reduction in job openings, demand for workers remains high. There are nearly two job openings for every unemployed worker.
- **Filings for Initial Unemployment Insurance Claims Remain Close to Pre-Pandemic Levels During October 2019:** The [number](#) of Americans who filed new claims for unemployment insurance rose to 219,000 from 190,000 during the week ending October 1. Over the last four weeks, the average number of Americans receiving unemployment insurance benefits is down by 76% since President Biden took office.

JEC Spotlight: New JEC State-Level Data Underscore How the Rescue Plan, Inflation Reduction Act and Biden Administration Actions Bolster Job Growth Across the Country

The JEC [released](#) 50 new state fact sheets that provide key data illustrating how recent investments and policies—including the American Rescue Plan, Infrastructure Investment and Jobs Act, Inflation Reduction Act, CHIPS and Science Act and student debt relief—will lower costs for Americans, support businesses and promote economic growth.

The fact sheets provide state-level data, including

- Job gains, including manufacturing and clean energy sectors
- Business growth
- Reduced health insurance premiums
- Lower drug prices
- Relief for student borrowers.

Among the key takeaways:

Job growth has been strong across the U.S.: The United States has regained more than all the jobs that were lost during the pandemic recession thanks to policies like the American Rescue Plan. The U.S. has added 10 million jobs and all states have experienced strong job gains under President Biden. More than 1 million jobs have been added in the past three months alone in communities across the country. As a result of the bipartisan Infrastructure Investment and Jobs Act, the Inflation Reduction Act and the CHIPS and Science Act, all states are expected to experience a boost in job growth in clean energy and manufacturing.

Business applications are up from pre-pandemic levels across the country: In states across the country, business growth is higher than it was during pre-pandemic times. Policies included in the American Rescue Plan and other legislation have helped state economies—and the U.S. economy as whole—recover from the depths of the pandemic recession and laid the groundwork for an expansion that continues to support workers and businesses alike.

Health insurance and are prescription drug costs are down: The Inflation Reduction Act builds on the success of the American Rescue Plan, which expanded more generous subsidies to millions of low- and middle-income Americans who buy their insurance on the ACA marketplaces. The American Rescue Plan's health provisions brought down annual ACA premiums by an average of \$800 and the national uninsured rate down to a record low of 8% in early 2022.

Additionally, the Inflation Reduction Act enables seniors with Medicare prescription drug coverage to pay less for their medications. The law puts an annual \$2,000 cap on seniors' out-of-pocket drug costs and ensures that Medicare beneficiaries do not pay more than \$35 per month for insulin. The law also lets Medicare negotiate with drug companies to [keep prices down](#) on some of the most expensive prescription drugs.

The Joint Economic Committee previous released similar fact sheets, which provided this data at the Congressional [district](#) level.

Selected JEC Resources

- [States that Most Restrict Access to Abortion Have Worse Economic Conditions for Families](#)
- [Repealing the Inflation Reduction Act Would Increase Costs for Families, Drive Up the Deficit and Hurt Job Growth](#)
- [By the Numbers: How Democrats Are Creating Jobs and Cutting Costs \(State Data\)](#)
- [By the Numbers: How Democrats are Creating Jobs and Cutting Costs \(District data\)](#)
- [The Economic Toll of the Opioid Crisis Reached Nearly \\$1.5 Trillion in 2020](#)
- [The Economic Impact of the Inflation Reduction Act](#)
- [Abortion Access Is Key to Economic Freedom](#)

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