



Behind the Numbers

October 14, 2022

We read in the press that the U.S. unemployment rate is now 3.5%, which is historically very low, and indicates that most Americans can find a job these days. This is one reason why many observers don't think the U.S. economy is in recession; typically, an economic slowdown means workers are laid off, not eagerly sought and hard to find.

The U.S. Bureau of Labor Statistics maintains a more detailed picture of U.S. employment on its website, in graphical form—and it does, indeed, show that as of last month, the overall civilian unemployment rate was 3.5%. The same is true for all men 20 years and older, and, interestingly, women 20 years and older seem to be slightly more employable, with just 3.3% of them out of work. It helps to remember that more than 10% of each of these groups was out of work in late 2008 and most of 2009, and unemployment also peaked briefly in early 2020 at around 15%.

When you look at some of the demographic breakdowns, and you see that some other cohorts are not as lucky, employment-wise, as white men and women. The unemployment rate of Hispanic and Latino members of the workforce is 4.5%, and 6.4% of Black or African-American workers are still looking for work in what is being described as an extremely tight job market.

Another chart shows that those who are unemployed tend to stay that way. Today, just under 20% of the people looking for work have been out of work for 27 weeks or longer (the BLS doesn't track any further than that), which is roughly the historical average, although that number has been over 40% during times of recession.

Another statistic that is not generally reported on is the number of people who are (for various reasons) not counted in the labor force, but who actually do want a job. The most recent statistics show 1.4 million people are looking in the window of the labor market, hoping to find a door, and of those, 366,000 are labeled as 'discouraged workers,' who believe that no jobs are available to them.

Source:

<https://www.bls.gov/charts/employment-situation/civilian-unemployment-rate.htm>

<https://www.bls.gov/news.release/empsit.nr0.htm>

If you have any questions about this article or want to discuss your family finances, investment portfolio, or financial planning advice, please call on me anytime at my number [\(215\) 325-1595](tel:2153251595) or you can [click here to schedule a meeting](#).

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Jeffrey Broadhurst
MBA, CFA, CFP
Broadhurst Financial Advisors, Inc.



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Our physical and mail address:

1911 West Point Pike
P.O. Box 301
West Point, PA 19486-0301

Contact us:

Phone: (215) 325-1595
Email: jeff@broadhurstfinancial.com