

JOB GAINS ASSIST WITH RECESSION FEARS



The unemployment rate in the U.S. is staying at a steady 9.1 percent for three months straight because there are not enough jobs to keep up with the population growth. As the number of working age individuals increases, the amount of jobs available should increase as well. This is simply not happening. Not many people are retiring anymore because they simply cannot afford to live without the consistent income. Increased pressure is now being put on both President Obama and the U.S. Federal Reserve to increase the rate at which jobs are being created and the economic recovery. 103,000 new jobs were created in the U.S. during the month of September. These jobs were outside of the farming industry and included 45,000 employees that were on strike. If the employees that were on strike were not included in the creation number, it would only stand at a menial 58,000 jobs. The senior macro strategist at TD Securities, Millan Mulraine, believes that we are not out of danger when it comes to a recession. He has stated that there are still many dangers to be woeful of. In order for the unemployment number to drop a significant change needs to happen. More jobs need to be created and more people need to retire if the number is to change at all. President Obama has created a jobs package that he feels will help to boost employment numbers and stimulate growth. He will have a tough time getting the package to pass in the house because some members feel that this package is nothing more than a political ploy to assist with his reelection in 2012. Some economists feel that there is a chance that the U.S. could fall into another recession if the economy does not change drastically in a short period of time. Many businesses are now very leery to hire new employees. They are fearful that they will not need the employees for a full-time position and are thus only hiring them for shortened or trial periods. The employers are then evaluating the amount of goods or services that are being sold and deciding if they need to keep employing the workers or let them go. Just about everyone is being affected by the employment situation in America. The Postal Department and the Educational Department were two departments that were hit very hard in the past month. 5,000 postal employments lost their jobs last month and 24,400 workers in the educational department are no longer employed. The Federal Reserve has not given up all hope just yet. They are trying to aid the recovery by lowering the costs of long-term borrowing. The only problem with this type of recovery is that most Americans are not in a position to try to establish or build their credit. Many people are struggling just to get by on a daily basis.

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