

MASSACHUSETTS JOB GROWTH NUMBERS, 2011, WERE FOUR-FOLD OVERESTIMATED



According to data released by the state administration, employers in Massachusetts added at least 30,000 jobs fewer than the 40,799 jobs claimed earlier by state officials. The revised data shows that employers added only about 1000 jobs per month in 2011. Michael Widmer, president of the Massachusetts Taxpayers Foundation said "This is certainly a cold shower ... If you look back at the economic recoveries of earlier times, this is a pale shadow of those." It is pertinent to note that just a month earlier, state labor officials had been claiming that a total of 40,700 jobs had been added in 2011. The number of unemployed was 237,500. January showed the maximum job growth with unemployment falling to 6.9 percent. However a revised methodology used to update the totals of 2011 found that the earlier numbers had overestimated job creation nearly fourfold, if the numbers published by the Executive Office of Labor and Workforce Development are anything to go by. While from January 2011 to January 2012 employers in the state added just 12,200 jobs, state officials claimed more than a number close to 41,000. Administration officials claim that the new statistics shows the real state of the economy. However, Gov. Deval Patrick is skeptic of the new statistics and does not want to buy the story of a jobless recovery. "I'm visiting companies every day. I see the new positions. I see the new hires. I'm excited about that, and I'm confident that the strategy we've been pursuing of investing in education and in innovation and in infrastructure is a winning strategy," he told the media. "These numbers have been all over the place. The unemployment rate has been all over the place and is going down. I meet the people who've got those new jobs, who are planning for those new jobs, who are expanding job opportunities here in the commonwealth because we're creating an environment where that's desirable, so the strategy's a winning strategy" added the Governor. Patrick government officials also blamed the federal Bureau of Labor Statistics for using imprecise methodology that underreported the number of jobs the state actually added last year. Joanne Goldstein, secretary of labor and workforce development said, "We have internal data that is not included in this, which demonstrates a greater job gain than reported... If you look at the other economic indicators, we think they demonstrate quite clearly that Massachusetts is in fact doing very well. All of the things that are important to Massachusetts are happening."