



Analytics

Published by the Caesar Rodney Institute

RELEASE: CRI - Center for Economic Policy and Analysis

RE: Mostly good news!

DATE: June 19, 2010

THE GOOD NEWS: Friday's data release by the U.S. Bureau of Labor Statistics shows Delaware's unemployment rate dropping from 9.0% in April to 8.8% in May. This is the second month the First State's unemployment rate has declined since hitting the recession peak of 9.2%. The drop is in keeping with the steady decline in seasonally adjusted weekly initial claims for unemployment insurance that has been going on for the past two months. Especially welcome was that half of the net increase in jobs came from an increase in activity in tourism, even on a year over year basis.

THE BAD NEWS: While the persons unemployed in Delaware fell by over 1,000 between April and May, the size of the labor force went down by almost 900 folks as well, indicating continued growth in the ranks of discouraged workers. The drop in the unemployment rate is appreciated, but it is not large enough to exceed the sampling error in the Delaware monthly data (one half of one percent). And while falling, initial weekly claims are still 14% above the State's long term average. Finally, jobs continue to be lost in manufacturing and one quarter of the net increase in jobs is due to temporary hiring for the U.S. Census.

**Dr. John E. Stapleford, Director
Center for Economic Policy and Analysis**

