

## The Worst Recovery Ever...For Part-Time Jobs

Mark Twain has been attributed with saying “If you don't read the newspaper, you're uninformed. If you read the newspaper, you're misinformed.” And given the media's portrayal of the job market recovery over the past six-and-a-half years, we can see where he was coming from.

We hear all the time “It's a part-time recovery for jobs.” In reality, exactly the opposite is true. This has been the worst recovery for part-time jobs in more than 40 years! We aren't really sure where the idea came from to begin with. Maybe it was because part-time jobs rose substantially during the last recession and people just assumed that trend continued.

Or maybe it's because the media, playing the role of armchair economists, dug into the household side of the employment report and figured out that you can see how many part-time or full time jobs are reported each month, and they cherry-pick just the months that show large part-time gains to support their argument.

Take for instance April of 2015, the household survey showed a gain of 437,000 part-time jobs while full-time showed a 252,000 loss. So for that single month, all of the gains in household employment were due to part-time jobs. But, as with many data series, the month-to-month reports can be very volatile.

To get a better idea of what's really going on, you need to look at the trend over at least the past year. Take that small step back, and a much clearer picture emerges. It turns out that, from October 2014 to

October 2015, the US added 2.3 million full-time jobs and actually lost 507,000 part-time jobs. So despite monthly volatility, all of the jobs created in the past year have been full-time.

The table below shows expansions and contractions in the US economy going back to January 1970. It's true, the last recession did see a large gain in part-time employment, but this recovery has been like nothing we have seen in the last 45 years – part-time jobs have actually declined by 276,000, while full-time jobs have risen by 9.3 million. This means 100% of the jobs that have been created in this expansion so far have been full time jobs. 100%! And the employment picture keeps improving.

Private sector payrolls have risen for 68 consecutive months, the best streak going back to at least the early 1900's. Meanwhile, the unemployment rate has been cut in half from 10% to 5% and the more expansive U-6 rate, which also includes marginally attached and discouraged workers as well as those employed part-time for economic reasons, has fallen from a high of 17.1% down to 9.8% in October.

Don't get us wrong, we aren't praising the strength of this economic recovery. We still call it a plow-horse. Government is too big, taxes are too high and regulation is much too onerous. And jobs could be growing faster with better policies in place, but this has certainly not been a part-time recovery. The pouting pundits trying to push that story are either cherry-picking the data or never looked at it to begin with. Either way, they are just plain wrong.

### Jobs Created or Lost (in thousands)

	Expansion			Contraction	
	Part-time	Full-time		Part-time	Full-time
<b>Dec 70 - Nov 73</b>	<b>1,665</b>	<b>6,058</b>	<b>Jan 70 - Nov 70</b>	<b>262</b>	<b>-368</b>
<b>Apr 75 - Jan 80</b>	<b>2,639</b>	<b>12,266</b>	<b>Dec 73 - Mar 75</b>	<b>357</b>	<b>-1,646</b>
<b>Aug 80 - Jul 81</b>	<b>109</b>	<b>1,780</b>	<b>Feb 80 - Jul 80</b>	<b>200</b>	<b>-1,469</b>
<b>Dec 82- Jul 90</b>	<b>1,503</b>	<b>18,128</b>	<b>Aug 81 - Nov 82</b>	<b>1,446</b>	<b>-3,126</b>
<b>Apr 91 - Mar 01</b>	<b>2,942</b>	<b>17,334</b>	<b>Aug 90 - Mar 91</b>	<b>381</b>	<b>-1,330</b>
<b>Dec 01 - Dec 07</b>	<b>1,186</b>	<b>8,885</b>	<b>Apr 01 - Nov 01</b>	<b>286</b>	<b>-1,893</b>
<b>Jul 09 - Oct 15</b>	<b>-276</b>	<b>9,279</b>	<b>Jan 08 - Jun 09</b>	<b>2,714</b>	<b>-8,864</b>

Source: BLS, FT Advisors