

## News Release

May 5, 2017

### **Job Growth Remains Strong - at Least for Now**

**Comment on U.S. Bureau of Labor Statistics Employment Situation Report  
Gad Levanon, Chief Economist, North America, The Conference Board**

Employment increased by 211,000 jobs in April after increasing by 79,000 in March.

April's strong employment report muted concerns of a slowdown in job growth after the weak March numbers and the disappointing GDP growth in the first quarter. Almost all of the increase came from private services, underscoring the shift of the U.S. economy towards services. The current pace of job growth is making a tight labor market even tighter with the unemployment rate reaching 4.4 percent. The last time the unemployment rate was lower than 4.4 percent was 16 years ago. U6, the broader measure of labor underutilization, dropped to 8.6 percent versus 9.4 percent in January.

Given the rapid tightening of the labor market, it is somewhat surprising that wages are not accelerating faster, but we expect this to happen during the rest of 2017. The numbers are likely to keep the Federal Reserve on track for raising interest rates two or three more times in 2017.

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For more information:

Carol Courter

The Conference Board

(212) 339-0232

[courter@conference-board.org](mailto:courter@conference-board.org)