

BLS: Americans Not in the Labor Force Soar to Record 94.7 Million

By Newsmax Wires

The number of Americans who are no longer in the labor force surged by 664,000 in May to hit an all-time high of 94.7 million.

“As a result of this, the U.S. labor force shrank by over 400,000 to 158,466K, down from 158,924K a month ago, and helped the unemployment rate tumble to 4.7%, the lowest level since 2007,” Zero Hedge’s Tyler Durden reported.

The labor force participation rate dipped from 62.8 percent in April to 62.6 percent in May, near its 38-year low. The participation rate has declined by 0.4 percentage points over the past two months.

Adding the number of unemployed workers to the people not in the labor force, there are now over 102 million Americans who are either unemployed or no longer looking for work, the Labor Department’s Bureau of Labor Statistics reported on Friday.

When President Barack Obama took office in January 2009, 80,529,000 Americans were not participating in the labor force; since then, 14,179,000 Americans have left the workforce — some of them retiring and some just quitting because they can’t find work, CNS News reported.

“By almost every economic measure, America is better off than when I came here at the beginning of my presidency,” President Obama recently told the people of Elkhart, Indiana. “We cut unemployment in half, years before a lot of economists thought we would.”

But the labor force participation rate has deteriorated over

Obama’s two terms. CNS News explains.

“When Obama took office in January 2009, shortly before the recession hit, the labor force participation rate was 65.7 percent. The following month, it reached an Obama-era high of 65.8 percent, and then it began its seven-year downward spiral, hitting 62.4 percent in September 2015, its lowest point since 1977,” CNS reported.

The unemployment rate for all Americans declined from 5.0 percent in April to 4.7 percent in May. This measure does not account for those individuals who have dropped out of the labor force. The unemployment rate simply measures the percent of those who did not have a job but actively sought one over the month, the Washington Free Beacon explained.

The “real” unemployment rate, otherwise known as the U-6 measure, was 9.7 percent, which remained steady from the previous month.

“Today’s dismal jobs number is reflective of the softness in the underlying economy, which seven years after the Great Recession ended still isn’t strong enough to produce robust job creation,” said Ed Rensi, former CEO of McDonald’s and member of the Job Creators Network, a nonpartisan organization.

“To truly turbocharge the economy, we must address the barriers that are holding the economy’s key drivers — small businesses — back from hiring: over-taxation, over-regulation, and lack of access to credit.”