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**JOBS DEFICIT REMAINS AS EMPLOYMENT GROWTH
SLOWS SHARPLY IN JUNE**

Workers Still Waiting for Real Wage Gains

Washington, D.C. – The unemployment rate was unchanged at 5.6 percent in June, but after three months of solid gains, job growth slowed sharply. Just 112,000 payroll jobs were created. Private nonfarm payrolls grew by 117,000 jobs, but manufacturing employment declined by 11,000 jobs.

“While recent job growth is long overdue relief from the most prolonged jobs slump since the 1930s, this month’s report does not paint a picture of a strong labor market,” said **Rep. Pete Stark (D-CA), Senior Democrat** on the **Joint Economic Committee (JEC)**. “Job growth fell off sharply last month and was not as robust as we had thought in previous months, which makes it harder to close the jobs gap.”

Despite 10 months of job growth, there are still 1.1 million fewer nonfarm payroll jobs than there were when President Bush took office. There are 1.8 million fewer private payroll jobs, including 2.7 million fewer manufacturing jobs.

Since last August when job losses bottomed out, average hourly earnings have *declined* 0.7 percent, once inflation is taken into account. Since the start of the Bush administration, aggregate wages and salaries have grown 6 percent, while profits have grown 62 percent.

“Workers are still waiting to see real gains in their paychecks,” said **Stark**. “Workers’ productivity gains have gone into profits not wage hikes, so paychecks will be stretched thinner as families face higher prices and rising interest rates.”

Overall, there are still 8.2 million unemployed Americans, and about 4.6 million additional workers who want a job but are not counted among the unemployed. An additional 4.5 million people work part-time because of the weak economy. The unemployment rate would be nearly 10 percent if the figure included those who want to work but are not counted among the unemployed and those who are forced to work part-time because of the weak economy.

More than one in every five unemployed people – 1.8 million Americans – has been jobless for more than 26 weeks. The average spell of unemployment is still near 20 weeks, and remains at levels not seen since early 1984. Despite these harsh statistics, Republicans failed to renew the federal extended unemployment benefits program that expired at the end of last year. As a result, from late December 2003 through the end of June 2004, an estimated 2 million individuals have exhausted their regular unemployment insurance (UI) benefits without receiving additional aid. In no other comparable period on record have there been so many UI exhaustees going without federal aid.

The Joint Economic Committee, established under the Employment Act of 1946, was created by Congress to review economic conditions and to analyze the effectiveness of economic policy.

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