



REPUBLICAN STAFF COMMENTARY

The Private Sector's Doing Just Fine?

Comparing Public and Private Sector Job Gains and Losses at the State Level

October 25, 2011

Senate Majority Leader Harry Reid recently stated that “It’s very clear that private sector jobs have been doing just fine, it’s the public sector jobs where we’ve lost huge numbers....” While it is true that the private sector has added 1.4 million jobs and the public sector has lost 572,000 jobs since the recession officially ended in June 2009, that statement fails to look at where the two sectors stand in comparison to when the recession started in December 2007.

Since the recession began in December 2007, 16 private sector jobs have been lost for every public sector job lost.

Since December 2007, public sector employment has declined by 392,000 jobs (1.75%). Private sector employment has declined by 6.3 million (5.41%). In other words, for every public sector job that disappeared since the beginning of the recession, 16 private sector jobs have vanished. On a percentage basis, the private sector losses have been three times greater than public sector job losses.

If you examine a longer time horizon, the private sector has 2.29 million fewer jobs than in January 2001 – a loss of 2.1%. The public sector added 1.15 million jobs over the same time period – a gain of 5.5%.

While the situation varies widely by state, in general, since the recession began the public sector has fared far better than the private sector. The table on the next page sets out the gains and losses by state in both the public and private sectors since the recession began and since it ended.

On a percentage basis, in only three states has the private sector fared better than the public sector since the recession started – Maine, Rhode Island, and North Dakota. In North Dakota, both the private sector (10.6%) and public sector (4.8%) have added jobs. Of the District of Columbia and fifty states, 47 have fewer private sector jobs than when the recession started, 27 have fewer public sector jobs.

The District of Columbia and 21 states have more public sector jobs than when the recession began. Only the District of Columbia, Alaska, North Dakota, and Texas have more private sector jobs than when the recession began.

Private vs. Public Sector Job Gains in 50 States and DC	Number
More Private Sector Jobs than When Recession Started (Dec 2007)	4
More Public Sector Jobs than When Recession Started (Dec 2007)	22

The table on the following page shows the relative performance of the private and public sectors in each state and the District of Columbia since the recession started in December 2007 and since it officially ended in June 2009.¹

¹ The data contained in the table is seasonally adjusted. Since BLS does not provide seasonally adjusted data at the state level the data has been seasonally adjusted by JEC Republican Staff using X12 ARIMA provided by Haver Analytics. The results vary slightly if one simply subtracts government payrolls from nonfarm payrolls. Variance is less than 0.2% in 2/3 of states.

Comparing Private Sector and Public Sector Job Losses and Gains

State	Since Recession Started December 2007				Since Recession Ended June 2009			
	Private	Pct Change	Govt.	Pct Change	Private	Pct Change	Govt.	Pct Change
Alabama	-144.3	-8.8%	-4.1	-1.1%	-10.6	-0.7%	-8.5	-2.2%
Alaska	7.2	3.0%	2.5	3.1%	8.9	3.8%	0.1	0.1%
Arizona	-252.8	-11.2%	-13.1	-3.1%	-3.1	-0.2%	-3.8	-0.9%
Arkansas	-46.0	-4.6%	8.3	3.9%	5.5	0.6%	3	1.4%
California	-951.7	-7.5%	-127.3	-5.1%	133.1	1.2%	-100.8	-4.0%
Colorado	-119.5	-6.1%	11.1	2.9%	2.3	0.1%	-0.5	-0.1%
Connecticut	-77.5	-5.3%	-9.6	-3.8%	1.2	0.1%	-7.4	-3.0%
D.C.	1.7	0.4%	13.5	5.8%	8.4	1.8%	7.6	3.2%
Delaware	-31.0	-8.2%	0.5	0.8%	-5.7	-1.6%	0.3	0.5%
Florida	-667.6	-9.8%	-38.3	-3.4%	29.0	0.5%	-23.8	-2.1%
Georgia	-327.7	-9.4%	-30.4	-4.5%	-44.7	-1.4%	-39	-5.7%
Hawaii	-33.5	-6.6%	1.1	0.9%	4.9	1.1%	-2.1	-1.7%
Idaho	-49.7	-9.2%	0	0.0%	1.1	0.2%	-2.3	-1.9%
Illinois	-314.7	-6.1%	-7.2	-0.8%	36.4	0.8%	-14.9	-1.7%
Indiana	-181.2	-7.1%	-13.1	-3.0%	33.0	1.4%	-16.2	-3.7%
Iowa	-42.4	-3.3%	-1	-0.4%	9.6	0.8%	-4.4	-1.7%
Kansas	-61.2	-5.4%	0	0.0%	-13.0	-1.2%	-1	-0.4%
Kentucky	-77.8	-5.0%	1.3	0.4%	26.3	1.8%	1	0.3%
Louisiana	-14.6	-0.9%	-2.9	-0.8%	39.7	2.6%	-8.5	-2.3%
Maine	-17.9	-3.5%	-4.5	-4.3%	6.6	1.3%	-3.8	-3.7%
Maryland	-104.2	-4.9%	15.1	3.1%	-5.2	-0.3%	4.4	0.9%
Massachusetts	-50.8	-1.8%	-3.1	-0.7%	70.3	2.6%	-4.8	-1.1%
Michigan	-297.0	-8.3%	-31.7	-4.9%	106.8	3.3%	-28.4	-4.4%
Minnesota	-98.1	-4.2%	-1	-0.2%	27.7	1.2%	-3.4	-0.8%
Mississippi	-66.6	-7.3%	1.6	0.6%	2.3	0.3%	-2.1	-0.8%
Missouri	-155.8	-6.6%	1.4	0.3%	-29.4	-1.3%	-10	-2.2%
Montana	-16.4	-4.5%	3.9	4.5%	3.3	1.0%	0.7	0.8%
Nebraska	-11.1	-1.4%	5	3.1%	15.4	2.0%	-0.2	-0.1%
Nevada	-166.4	-14.7%	-11.5	-7.2%	-18.0	-1.8%	-10.5	-6.6%
New Hampshire	-22.4	-4.0%	1.8	1.9%	4.6	0.9%	-2.6	-2.7%
New Jersey	-198.7	-5.8%	-28.2	-4.3%	0.2	0.0%	-33.1	-5.1%
New Mexico	-48.1	-7.4%	-1.2	-0.6%	-7.0	-1.1%	-3.7	-1.9%
New York	-117.4	-1.6%	-19.3	-1.3%	142.4	2.0%	-28.6	-1.9%
North Carolina	-293.0	-8.4%	-20.5	-3.0%	-7.0	-0.2%	-34.3	-4.8%
North Dakota	30.3	10.6%	3.6	4.8%	28.0	9.7%	-0.4	-0.5%
Ohio	-302.5	-6.5%	-25.5	-3.2%	56.6	1.3%	-18.9	-2.4%
Oklahoma	-23.6	-1.9%	13.6	4.2%	25.6	2.1%	0.4	0.1%
Oregon	-112.1	-7.8%	-4.7	-1.6%	22.3	1.7%	-8.9	-3.0%
Pennsylvania	-126.3	-2.5%	-16	-2.1%	95.4	2.0%	-27.3	-3.6%
Rhode Island	-25.1	-5.9%	-4.1	-6.4%	2.1	0.5%	-2.1	-3.4%
South Carolina	-124.7	-7.8%	-8.3	-2.4%	17.9	1.2%	-12.8	-3.7%
South Dakota	-5.7	-1.7%	4	5.3%	1.4	0.4%	1.9	2.4%
Tennessee	-173.2	-7.3%	9.4	2.2%	25.9	1.2%	9.9	2.3%
Texas	24.8	0.3%	60.6	3.5%	333.0	3.9%	-7.3	-0.4%
Utah	-55.5	-5.3%	6.4	3.1%	28.3	2.9%	0.3	0.1%
Vermont	-4.3	-1.7%	-0.5	-0.9%	8.6	3.5%	-1	-1.8%
Virginia	-143.1	-4.6%	11.4	1.7%	0.8	0.0%	-6.9	-1.0%
Washington	-143.7	-5.9%	-6.4	-1.2%	13.3	0.6%	-20	-3.6%
West Virginia	-13.4	-2.2%	4.2	2.9%	7.1	1.2%	-4.4	-2.9%
Wisconsin	-118.9	-4.8%	-8.1	-1.9%	24.3	1.0%	-9.7	-2.3%
Wyoming	-11.1	-4.9%	9.8	14.4%	0.9	0.4%	6.4	9.0%