



ECONOMIC UPDATE

April 10, 2023

This Week in Focus:

****Before recess ends, make sure to [join the JEC](#) at 1:30pm on Thursday, April 13th for a staff briefing on the state of the economy, the role of the Committee, and what we can do to help you keep your boss informed on economic topics throughout the 118th Congress.****

For those who weren't monitoring economic data on Friday, the monthly jobs numbers in March showed more good news on the state of the U.S. labor market. Payrolls continued to grow, more Americans entered the labor force, and the Black unemployment rate fell to a record low of 5.0%. While disparities persist throughout the labor market, the extended jobs recovery has clearly been a boon to millions of Americans.

Moving to this week, the semi-annual meetings of the World Bank and IMF will generate some likely pessimistic takes on the outlook for global economic growth, while new inflation data on Wednesday could tell us whether the "goldilocks" jobs report last Friday really does indicate a "soft landing" for the U.S. economy. Earnings reports from mid-sized U.S. banks released this week will also give us more insights into the health of the U.S. financial system.

JEC Resources

- [State By State Fact Sheets: February Employment Data](#)
- [The Steep Costs of a Republican Default Crisis - State And District Data](#)
- [Despite Making Critical Contributions to The Labor Force, Women Face Obstacles to Economic Prosperity](#)
- [Women's Entrepreneurship Is Growing Rapidly](#)

Economic Indicators This Week

Below are a series of economic indicators that will be released later this week, along with the consensus estimates from a group of professional forecasters about what the data point will be once it is reported. Oftentimes, news coverage of these indicators will report whether the final number came in above or below the expectations set by the forecasters' consensus.

- **Wednesday, April 12:** Inflation CPI Data - The consensus forecast is an increase of **0.2%** in the headline number and an increase of **0.4%** in the core.
- **Thursday, April 13:** Weekly Jobless Claims - The number of initial unemployment insurance claims is expected to be **215,000** for the week ending April 8, down from 228,000 the prior week.
- **Friday, April 14:** Retail Sales - The consensus forecast is a **0.5%** decrease in total sales.

What You Need to Know

- **The U.S. labor market remains strong.** The Black unemployment rate [fell](#) to a record low of 5% in March, underscoring the labor market's strength and the effectiveness of the Biden administration's economic policies in creating a successful economic recovery.
- **More workers are benefiting from parental leave.** The share of workers with access to parental leave has [grown](#) to 25% and according to data from the Department of Labor in the 12 months through February, an average of 406,000 workers were absent from work due to paid or unpaid parental leave, which is an increase of 13.5% from 2021.
- **Increases in suspicious and fraudulent activity prompt account closures.** Following an increase in the filing of Suspicious Activity Reports in 2021 and increases in fraudulent activity, banks are resorting to [closing](#) customers' accounts.
- **Updated list of electric vehicles qualifying for tax credits underscore push to bolster domestic manufacturing.** The updated list of electric vehicles that qualify for consumer tax credits will be [released](#) by the Internal Revenue Service on April 18, which is expected to reflect the Biden administration's efforts to strengthen domestic manufacturing by reducing manufacturers' dependence on components from China.
- **Popularity of electric vehicles continues to grow.** Walmart [announced](#) it will add electric-vehicle charging stations to thousands of its American stores by 2030, which is more than four times the size of its current network of EV charging stations at roughly 280 locations.

What to Read From the Think Tank World

- Center for American Progress shows that those without a college education [work primarily](#) in service-sector jobs and is more racially and ethnically diverse than ever.
- While the Consumer Financial Protection Bureau (CFPB) faces legal and political challenges, Center for American Progress explains why recent bank failures highlight the need for a [strong and independent](#) CFPB.
- Congressional Budget Office analysis finds that immigration [increases](#) total economic output and affects the federal budget through the taxes that foreign-born people pay and the government programs in which they participate.
- Equitable Growth proposes [executive actions](#) that would strengthen unions and increase worker power in the United States.
- The Hamilton Project estimates that the labor force is roughly [900,000 smaller](#) owing solely to unexpectedly weak population growth since 2019.

Latest Academic Articles Selected From NBER

The National Bureau of Economic Research, a private research organization, circulates a series of working papers in economics every Monday morning. Because it takes a long time for articles to appear in peer-reviewed journals, many economists look to this series for the latest academic research findings. These are our selected recommendations from the latest papers out this morning.

- [Merger Effects and Antitrust Enforcement: Evidence from US Retail](#)
- [The Short-Term Labor Supply Response to the Expanded Child Tax Credit](#)
- [Five Myths About Carbon Pricing](#)