



**Steven Drexel, Cornerstone Staffing President/CEO,
Shares Insights for the March 2017 Employment Situation**

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Pleasanton, Calif. (April 4, 2017) — As an economist and seasoned staffing industry professional, Steven Drexel is regularly asked to participate in several monthly surveys and discussions that predict key elements of the Bureau of Labor Statistics' ("BLS") press releases describing The Employment Situation. The next release revealing March's statistics will be out on Friday, April 7th. Drexel is available for interviews or commentary on the economic and employment impact, and perspectives on the political climate's effect on employment.

"Essentially, I expect March produced 195,000 net new jobs and an unchanged unemployment rate at 4.7 percent. March's indicators suggest that the labor market was strong but not as strong as February," comments Drexel. "January and February benefited from an unusually mild winter which may have pulled some of March's employment growth forward. The risk of recession is receding and the expansion should continue through 2019. This expansion can be described as frustratingly slow but remarkably long-running. The cumulative impact of the long-running expansion is growing labor shortages and accelerating wage pressure."

Drexel presents these positive employment-related economic indicators during March to support his conclusions:

- The Institute for Supply Management's Manufacturing Employment diffusion sub-index improved during March to 58.9 from 54.2 in February.
- The Conference Board's Consumer Confidence Index improved during March and the differential between "jobs plentiful" versus "jobs hard to get" was a net 12.2 during March, up impressively from 7.0 during February.
- The Manpower Employment Outlook Survey indicated that U.S. hiring plans improved modestly during the second quarter.
- Regional Federal Reserve Surveys with employment and average workweek sub-indexes that improved during March included the following:
 - Kansas City Fed Manufacturing Survey;
 - Richmond Fed Manufacturing Survey;
 - Richmond Fed Services Survey;
 - Texas Manufacturing Outlook Survey;
 - Texas Service Sector Outlook Survey;
 - NY Empire State Manufacturing Survey; and
 - Philadelphia Fed Manufacturing Business Outlook Survey.
- The private employment surveys that I participate in continued to suggest growth during March at a modestly improved pace.

Employment indicators that were flat or neutral with respect to March employment included the following:

- Initial Jobless Claims and Continuing Jobless Claims revealed mixed results during March. Initial Claims were weaker while Continuing Claims improved. Both metrics have been on a long term favorable trend but recent results suggest that March employment growth may be softer than recent months
- The National Federation of Independent Business Survey indicated a continuing high degree of optimism, but the plans to increase the employment component softened during this March survey.
- Regional Federal Reserve Surveys with employment and average workweek sub-indexes that deteriorated during March included only the Kansas City Fed Manufacturing Survey.
- The Institute for Supply Management's New York City Employment diffusion sub-index improved during March to 47.7 from 43.2 in February. However, a diffusion index with a value below 50 indicates contraction.
- The Wall Street Journal's March Economic Survey of 72 leading economists forecast of employment growth for 2017 improved during March but remained below 200,000 positons suggesting that March's rate of growth will slow compared to January and February.
- The American Staffing Association's Monthly Index was modestly down during March compared to February with respect to month-over-month growth.

Drexel notes the expansion is aging but consumer and business optimism remains high and corporate profits are improving. As well, industrial production, retail sales, housing and fixed investment are improving, and the equity markets are remarkably strong. Hence, the economy is on track to produce stronger GDP growth during full-year 2017. "The labor markets remain healthy and improving. Wage growth is accelerating. The average workweek has room to improve as does the labor force participation rate suggesting that there is still capacity for further expansion despite low unemployment numbers," Drexel explains. "And yet, as the expansion ages, there is a natural limit to the rates of growth. Expect jobs growth during 2017 to average about 190,000 positions per month while the unemployment rate trends slightly down during the next three years settling at around 4.4 percent by year-end 2019."

More About Steven R. Drexel

Steven R. Drexel is an economist, a member of the Business Research Advisory Council of the U.S. Bureau of Labor Statistics, and past chairman of the American Staffing Association's Industry Information Committee. He has been interviewed for *The Washington Post*, *Bloomberg Business News*, *CNN Radio*, *the Associated Press*, *The Houston Chronicle* and *The Houston Business Journal* -- among many other national, regional and local media organizations.

Drexel's biographical profile is available at <http://www.cornerstone-staffing.com/>. Please contact Brian Hatfield for any information or insights related to a wide range of employment and economic topics Drexel is prepared to comment on.

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thousands of people at hundreds of companies from coast to coast. Providing candidate searching and job placement for administrative, industrial, technical, sales and transportation positions, Cornerstone truly is where talent and jobs meet.

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