



**Steven Drexel, Cornerstone Staffing President/CEO,
Shares Insights on the April 2017 Employment Situation**

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Pleasanton, Calif. (May 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 April's statistics will be out on Friday, May 5. 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 that April produced 180,000 net new jobs and a bounce back of the unemployment rate to 4.6 percent. April's indicators suggest that the labor market remained healthy -- but did not accelerate," comments Drexel. "Weather and other timing anomalies distorted the reporting for each month during the first quarter, and yet, the three-month average at 178,000 net new jobs, was remarkably accurate. This was a mild acceleration from 2016's fourth quarter, which is consistent with early 2017's improved confidence and advancing broader economic fundamentals."

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

- Initial Jobless Claims and Continuing Jobless Claims improved during April. Both metrics have been on a long term favorable trend, recent results suggest that April employment growth may improve modestly.
- The American Staffing Association's Monthly Index was modestly up during April compared to March with respect to month-over-month growth.
- Regional Federal Reserve Surveys with employment sub-indexes that improved during April included the following:
 - Philadelphia Fed Manufacturing Business Outlook Survey;
 - Richmond Fed Services Survey;
 - Texas Manufacturing Outlook Survey; and
 - NY Empire State Manufacturing Survey.

The private employment surveys that Drexel participates in continue to suggest growth in demand during April although meeting the demand with an increasingly limited workforce is challenging.

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

- The Conference Board's Consumer Confidence Index softened during April and the differential between "jobs plentiful" versus "jobs hard to get" was a net 11.7 during April, down from 12.8 during March.

- The Institute for Supply Management's Manufacturing employment diffusion sub-index dipped during April to 52.0 from 58.9 in March.
- Regional Federal Reserve Surveys with employment sub-indexes that deteriorated during April included the following:
 - Kansas City Fed Manufacturing Survey;
 - Richmond Fed Manufacturing Survey; and
 - Texas Service Sector Outlook Survey.
- The Institute for Supply Management's New York City Employment diffusion sub-index back-slid during April to 45.1 from 47.7 in April.
- The Wall Street Journal's March Economic Survey of 72 leading economists forecast of employment growth for 2017 declined during April.

Drexel confirms March's job growth was weak producing only 98,000 jobs. He believes April's report will be an important metric as analysts look for either a confirmation of March's weakness or possibly, a return to the robust job growth reported during January and February. Drexel also notes the weather was unusually mild during January and February which advanced some employment growth into the early part of the year.

"Setting aside the large swings and distortions in the employment series, other labor market indicators like initial jobless claims and various government and private surveys have been steady and gradually improving suggesting that moderate improvement is likely the net effect of the first quarter's monthly gyrations," Drexel comments. "I'm anticipating a small increase in the unemployment rate during April, because I believe that the household survey (the source of the unemployment rate) has been inflated during recent months (compared to the more reliable establishment survey). On balance, the employment market remains steady, healthy and still modestly improving. The unemployment rate will trend 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.

More About Cornerstone Staffing

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