



Q2 begins with job additions in an array of industries:

- **Manufacturing:** The sector added another 29,000 jobs in April. Since reaching an industry low in December 2009, manufacturing has added 250,000 jobs, 141,000 of which were added in 2011. In April job gains were seen in machinery, primary metals and computer and electronic products manufacturing. According to the Institute for Supply Management's Index, manufacturing has been slowed relating to production growth and backlogged orders which may signify the effects on the supply chain in Japan following the earthquake. Despite the dip, April marked the 21st consecutive month of expansion for the manufacturing sector.
- **Retail:** Retail jobs led the April additions with 57,000 jobs. Job growth in retail not only signals good news for job seekers within the industry, but good news surrounding consumer confidence as well. If retailers are adding jobs, they are indicating business is steady and expected to grow as consumers spend more. The retail industry has not experienced such a surge of jobs in the market since 2000 and economists will continue to watch the job numbers within the sector in the upcoming months, along with consumer confidence and spending trends.
- **Healthcare:** Holding steady, this sector added another 37,000 jobs in April. Within the sector, just under 22,000 jobs were added in ambulatory healthcare (outpatient services) and 10,000 jobs in hospitals. According to data from The Conference Board, there are three open jobs available for every highly skilled healthcare professional looking for work today. The most sought after healthcare professionals are practitioners and technical professionals as well as workers for support positions such as physical therapist assistants, home nurses and nursing aides as well as medical assistants. In the last year, healthcare has added 283,000 jobs, or an average of 24,000 jobs per month.
- **Leisure and hospitality:** Another sign that consumer confidence is growing is leisure and hospitality job gains. In time for spring and summer, employment within the sector continued to increase by 46,000 jobs. Since February, the industry has added 151,000 jobs, with nearly two-thirds of the growth in food services and drinking places. Despite continued gas / food price increases, consumers continued to spend in April as spending increased by 0.6%.
- **Professional and business services:** The strength of the private sector can be seen throughout this month's jobs report, but especially within professional and business services as well as within financial services. Employment in professional and business services added 51,000 jobs in April. 11,000 jobs were added in management and technical consulting services and 8,000 jobs were added in computer systems design and related services. This growth signals good news for highly skilled seekers as the improvement in the job market spans all levels matching the skill and education level of seekers.
- **Temporary:** While temporary jobs decreased by 2,300 in April, the BLS data reports the difference to be statistically of little significance, marking a modest change from March. While it's too early to say definitively, the small numbers of temporary job gains could be replaced by a larger number of permanent job gains which is good news for seekers. Additional good news for temporary workers is that as demand for temporary and permanent workers grows, wage increases could help to ensure temporary workers stay on longer to meet employers' needs.

### **In the Future**

While uncertainty around the economy and job market still exists, BLS data from April and all of 2011 points to growth – the kind we have been waiting for. Economists have noted that the increase in unemployment was expected because in order to truly decline, unemployment has to rise again to accommodate discouraged workers re-entering the market. Job gains in a host of industries means that while the pace might still be slow, growth is expected beyond the two to three industries we saw grow in 2010.

Over the next few months, it will be important to examine the temporary to permanent job conversion rates to see how steady job growth is. As economists have been predicting, the economy has added considerable full-time private sector jobs to the market. The first real indicator of a move in this direction could be the decline of 2,300 in temporary jobs following only modest gains in March. The data from the next few months will indicate whether or not this trend is here to stay. GDP data from Q1 indicates the economy grew in 2011 by 1.8%, which is a slower pace than the 3.1% rate seen in Q4 2010, yet many forecasters believe the Q2 GDP data will rise faster as the weather in Q1 affected economic growth.

A major factor contributing to the employment picture in the near future will be gas and oil prices. The average cost of gas is currently \$4 a gallon and economists are unsure if it will continue to rise. Rising oil prices could affect many facets of the economy including job seekers who narrow their searches based on transportation costs as well as employers' hiring plans. Data indicates Americans now spend double on gas, compared to their average expenditures in 2009. Consumer confidence could wane if oil prices continue to rise, and employers' confidence might decline if product sales decline. Economists will continue to watch oil price effects on the greater business environment before predicting the future pace of the recovery.

### **Of Interest**

#### **Law schools may be forced to disclose scholarship retention rates**

**Source:** [www.law.com](http://www.law.com)

It is a great accomplishment to receive a scholarship to a fine law school; however becoming aware of the actual scholarship recipient retention rates before accepting isn't such a bad idea. A recent article from the New York Times points out that while schools are usually forthcoming about GPA requirements, no further communication is provided on how many of those students lose their scholarships after the second or third year from not meeting requirements. To help students make the best decisions on where to attend law school, Law School Transparency, a nonprofit organization, is proposing that the ABA require schools to post both received and lost scholarship retention rates on their websites.

#### **Corporate legal department - a new profit center?**

**Source:** [www.wsj.com](http://www.wsj.com)

Once thought of as a corporate cost center, many legal departments are now working to become a corporate profit center. Companies such as Ford Motor Co., DuPont Co. and Michelin SCA have tasked their legal departments to pursue suppliers, insurers or even utilities that may owe them money. These "plaintiff recovery" lawsuits don't always bring in significant money but, taken together, they can significantly add to a company's bottom line.

"It adds up to real money over time,' says Tom Sager, general counsel at chemical maker DuPont Co." DuPont won approximately \$92 million in a settlement with an insurance company regarding asbestos claims.

This strategy does have its critics who see this form of revenue generation as a distraction and an indication that the company's primary business is weak.

"Such efforts involve a big change in emphasis for in-house lawyers, who have tended to be risk-averse and mostly focused on shielding their company from lawsuits. Most in-house lawyers make significantly less than partners at major private law firms, many of whom earned \$1.5 million or more last year. But with law departments under constant pressure to cut costs, top corporate legal officers – who often get significant bonuses and other incentive pay – are concluding that it makes sense to take the offensive."