

April Jobs: A Nothing Burger

eResearch Corporation is pleased to provide an article by Scott Grannis for his Blog, "Calafia Beach Pundit".

In this article, Mr. Grannis advocates the adoption of a freely-functioning market for the U.S. health-care industry.

The article is reproduced below, beginning on the next page, or you can go to this specific Blog at the following link: [April jobs: a nothing burger](#)

You can also visit Scott Grannis' Home Page for his Blog at the link below:
<http://scottgrannis.blogspot.ca/>



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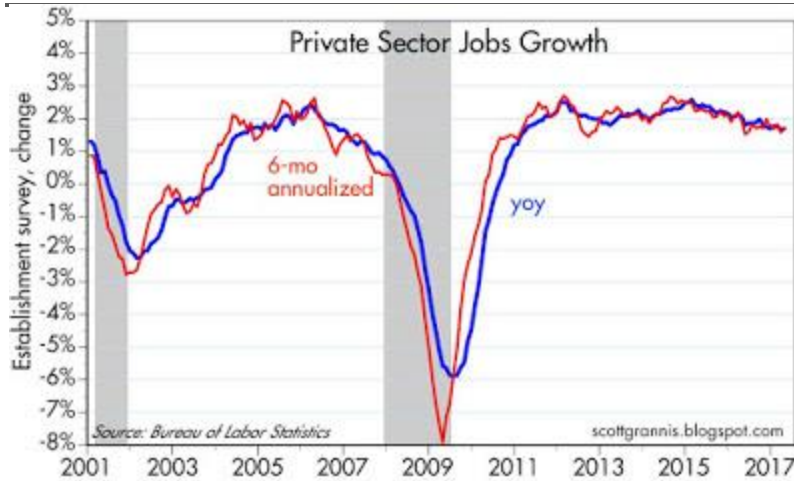
April Jobs: A Nothing Burger

The April jobs report was a nothing burger. Nothing has changed: jobs are still growing at a modest pace, and that pace has weakened a bit over the past year or so.

The economy is most likely still growing at slightly more than a 2% trend rate. Things will not get better until the burdens of taxes and regulations get lifted. The Trump administration is making progress towards this end, but there has not been enough so far to make a significant difference.

Efforts to reform the tax code are more important than healthcare reform, in my view. If the economy can be boosted by a higher-trend growth rate path, then lots of reform becomes possible.





These two charts are all you need to understand the jobs climate. Monthly reports can be very volatile, so you have to consider 6- and 12-month growth trends. Private sector jobs—the only ones that really count—have grown by 1.7% over the past 6 and 12 months. Ho-hum. That, plus the 0.5-0.6% rate of productivity over the past several years gives you overall GDP growth of a bit over 2%.

BW: See ABOUT THE AUTHOR below.

ABOUT THE AUTHOR



Scott Grannis was Chief Economist from 1979-2007 at Western Asset Management, a Pasadena-based, global manager of fixed-income portfolios for institutional clients.



He now enjoys keeping up on economics, markets, and politics from his condo overlooking Calafia Beach on the southern California coast, where he likes to think that he is immune to Wall Street group-think.

Married for 45 years to his Argentine wife, Norma, he has four children and five grandchildren (four boys and one girl).

He is a believer in supply-side economic theory, as practiced by his mentors, the late Jude Wanniski, Art Laffer, and Larry Kudlow. John Rutledge is another of his mentors, from the days that they worked together at Claremont Economics Institute.

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