



Phony Jobs Report Masks Weakening Economy

[Friday's employment report](#) from the government's Bureau of Labor Statistics (BLS) was cheery but misleading. The top line showed the U.S. economy gaining 272,000 jobs in May, much higher than the 192,000 job gains anticipated by Wall Street, and even higher than the 152,000 job gains reported by human-resources service company ADP two days earlier.

Larry Kudlow, in his Friday morning review on Fox News' *Kudlow*, blew the first whistle on the faux report. Nearly half of those new jobs were government or government-related jobs.

Worse, the "household" survey done by the BLS showed over 400,000 jobs lost in May. That survey, similar to the one done by ADP, is based on surveying households and small-business owners for information on how they are faring in today's economy.

The answer? Not well. As [Kudlow pointed out](#) in his commentary on Friday, "the household survey ... over the past year has produced only a tiny 31,000 increase in jobs."

Digging further into the report, Kudlow discovered another disparity: Full-time jobs fell by 605,000 in May, while part-time jobs increased by 285,000. Said Kudlow: "This cannot be a healthy economic sign."

The tsunami of illegals is also distorting the picture, according to Kudlow: "In just May alone, 414,000 immigrants, both legal and illegal, gained jobs, while 663,000 native-born Americans lost jobs."

Other data points indicate a continuing contraction in the economy. The BLS admitted that it overstated an average of 60,000 new jobs created last year, putting a huge dent in the Biden administration's claim of "creating" 2.7 million new jobs. Instead, that number is closer to just two million, and at least half of those are government or government-related jobs. These are jobs that don't add value to the private economy, but instead suck the life out of that private economy.

In addition, [Axios reported](#) that "about half of the non-farm payroll job growth since October 2023 has come from asylum-seekers, refugees and other migrants who have been authorized to work in the U.S."

As financial analyst J.G. Collins [pointed out at The Epoch Times](#): "It is easy to estimate that undocumented workers have added 109,000 jobs per month to [the BLS numbers] out of the average 231,000 increase so far in fiscal 2024."

And most of those jobs are low paying. Said Collins: "Lower-wage jobs, such as leisure and hospitality, retail, and other services, together with the aforementioned education, health, and social services were the majority of the new jobs created in the [BLS] Establishment Survey."



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Written by [Bob Adelman](#) on June 10, 2024

All of which is reflective of what's happening in the U.S. economy. There have been 2,600 retail store closures so far this year; if that pace continues, another 8,000 retail outlets will be shutting down. Those include companies like Macy's, Walgreens, Family Dollar and Dollar Tree, CVS, 7-Eleven, and Rite Aid.

Big banks are closing their branches at a rate exceeding that in 2023, when they shuttered more than 1,500 of them. In June this year alone JPMorgan is closing 18 of its branches, with Wells Fargo right behind, at 17 scheduled to close. Bank of America has announced it will close 16 of its branches, while regionals like BankUnited, BMO, Citizens Bank, and Inwood NB have also announced closings scheduled for this month.

Restaurants are being hit hardest by the economic decline that was hidden in the BLS jobs report. With visits down sharply because of wages that aren't keeping up with inflation and rising prices (with hot dogs costing \$9 and hamburgers approaching \$15!), Applebee's closed 46 of its restaurants last year, and is scheduled to close another 35 this year.

Boston Market had nearly 1,000 locations, but is now facing bankruptcy.

Jessica Dunker, president of the Iowa Restaurant Association, said the reason is financial: The cost of goods has increased more than 30 percent under Biden, and labor costs have soared thanks to government mandates.

That is the true picture of the U.S. economy: With the Federal Reserve pumping new money into the economy at the rate of \$1 trillion every 100 days (!), it's creating half of new jobs. New *real* jobs, those that create real wealth in a real private economy, are nearly nonexistent.

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