The recovery from the Great Recession continues to grind along. Each new data release indicates improvement, but the gains are slow and insufficient to return us to pre-recession economic health. Let’s drill down to get a fuller picture of this recovery.

- **Low wages?** Many observers claim we’re in a low-wage recovery. USA Today reported that 60 percent of job growth is in the low-wage sector of retail, restaurants, home health care and temporary staffing. In fact, the figure is more like 40 percent if viewed over the entire recovery. More importantly, none of this is surprising.

Since the job market hit bottom in early 2010, private sector employment has grown 7 percent, while employment in these four low-wage sectors has grown 11 percent. But at this point after the 2001 recession, the figures were 6 percent and 8 percent, respectively. In the recovery from the 1990-91 recession, they were 8 percent and 12 percent. In each of these recoveries, low-wage employment grew faster than employment overall.

*Why is this?* Employers have greater flexibility in their use of low-wage workers, who are easy to hire and fire. In addition, many of these jobs depend on discretionary spending, which rises faster than spending on necessities as the economy recovers.

So we can calm down. The job market is still weak, but it hasn’t been transformed suddenly into a low-wage wasteland.

- **Trading places:** During the recession and most of the recovery, government jobs were safer than private-sector jobs. In early 2010, the private sector hit bottom, having shed 8 percent of its workers. But government (at all levels, not counting temporary Census workers) was holding steady.

Since then, the private sector has improved while tight budgets have forced governments to make job cuts. Private-sector employment is nearing its pre-recession peak, whereas government employment is down more than 2 percent. Government employment is now the riskier proposition.

*Who’s the real Keynesian?* The shrinkage of government employment is unusual. At this point in each of the Reagan, Clinton, and Bush recoveries (after the 1981-82, 1990-91, and 2001 recessions), government employment was 5 percent higher than before the recession. The Obama recovery is running more than 7 percentage points behind that pace.

If government employment were growing as fast as it did in the previous three recoveries, the national unemployment rate would be at least a point lower than the current 7.3 percent, and possibly (with multiplier effects) below 6 percent.

The Reagan, Clinton, and Bush recoveries were fueled in part by Keynesian stimulus via government hiring. The Obama recovery is the one marked by government austerity and restraint.

- **Eating and firing:** In both the U.S. and North Carolina, the number of initial claims for unemployment insurance is close to where it was before the recession. Mass layoffs are rare. Unfortunately, so are large-scale hiring announcements. The problem with the job market isn’t too much firing; it’s too little hiring.

*Looking ahead:* In his most recent forecast, UNC-Charlotte economist John Connaughton predicted that 2014 will be a “break-out year” for the North Carolina economy, which will add 86,000 jobs next year. That would be a lot better than 2013. So far this year, employment in the state has grown by only 20,000. On the other hand, if 86,000 new jobs implies a break-out year, then we should have been more appreciative of 2012. Last year the state economy added 90,000 jobs. Let’s hope for a repeat next year.

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