



Early reports: Job gains signal stimulus impact

By Brad Heath and Matt Kelley, USA TODAY

WASHINGTON — States have reported using stimulus money to create or save more than 388,000 jobs so far this year, buttressing the Obama administration's claim that the \$787 billion plan has had a significant impact on the economy.

That total, based on a USA TODAY review of reports from 33 states and Puerto Rico, includes teachers, construction workers, and others whose jobs were funded by stimulus money awarded to states. The administration plans Friday to release reports from all 50 states, providing the broadest accounting yet of the stimulus plan's impact.

FORECAST: Jobs may rebound in 2010

Until now, the administration has relied on economic estimates to assess national job creation. The states' reports were meant to actually count the jobs, though that gauge has proved to be imprecise — particularly for jobs saved. "The numbers ... should be taken with a grain of salt," said Ethan Pollack of the Economic Policy Institute.

Still, Frank Lichtenberg of the Columbia Business School says the figures show a significant economic impact. Obama's Council of Economic Advisors estimated that the stimulus had saved or created 600,000 to 1.1 million jobs. Lichtenberg said the states' reports "make that sound like a reasonable estimate."

Kevin Hassett, once an economic adviser to President George W. Bush, said the reports "vastly overstates" job gains. He said the USA would have shed more than the 2.7 million jobs lost since March without the stimulus, "but just how many is impossible to know."

Elizabeth Oxhorn, an administration spokeswoman, said the reports show governors credit the stimulus for "creating jobs across the economy."

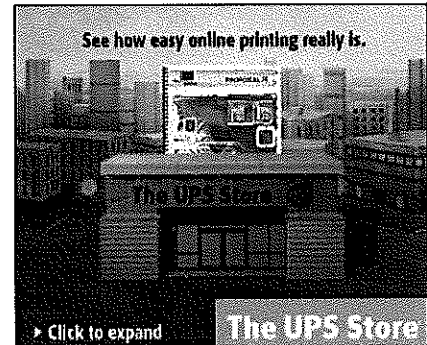
Data released last week showed federal contractors created or saved 30,000 jobs with stimulus funds. Friday's report also will provide jobs created by more than 103,000 federal grants and loans.

The states' reports suggest the biggest impact has been at schools. Twenty-three states that have reported school job numbers said more than 156,000 jobs had been created or saved.

Carol Bingham, director of fiscal policy for the California Department of Education, estimated the stimulus saved about 20,000 teaching positions. But she and others warn that precisely counting saved jobs has proved almost impossible. "It was intended to be a count. The way it was done, I think it's going to end up being an estimate," she said.

Indiana officials reported that the stimulus had created or saved about 13,000 school jobs. Asked whether he had any idea how many layoffs the plan had prevented, state Education Department spokesman Cam Savage replied: "I really don't."

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