

THE EMPLOYMENT SITUATION: SEPTEMBER 2005

HEARING

BEFORE THE

**JOINT ECONOMIC COMMITTEE
CONGRESS OF THE UNITED STATES**

ONE HUNDRED NINTH CONGRESS

FIRST SESSION

—————
OCTOBER 7, 2005
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THE EMPLOYMENT SITUATION: SEPTEMBER 2005

FRIDAY, OCTOBER 7, 2005

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, DC

The Committee met, pursuant to call, at 9:30 a.m., in room 1334, Longworth House Office Building, the Honorable Jim Saxton, Chairman of the Joint Economic Committee, presiding.

Representatives present: Representatives Saxton, English, Paul, Maloney, and Sanchez.

Senator present: Senator Reed.

Staff present: Chris Frenze, Robert Keleher, Colleen J. Healy, John Kachtik, Brian Higginbotham, Chad Stone, and Matt Salomon.

OPENING STATEMENT OF HON. JIM SAXTON, CHAIRMAN, A U.S. REPRESENTATIVE FROM NEW JERSEY

Representative Saxton. Good morning. I would like to welcome Deputy Commissioner Rones, from the Bureau of Labor Statistics, and his colleagues before the committee this morning to discuss the September employment data. As we all know, both the household and establishment measures of employment in September have been affected by Hurricane Katrina. The catastrophic impact of Katrina on the Gulf Coast has caused a tragic loss of life and widespread destruction of property and businesses. Many of the affected businesses either have been unable to reopen or have only partially recovered and do not have the resources to continue to meet payrolls at previous levels. As a result, employment was essentially unchanged in September as measured by both employment surveys.

According to the establishment survey, payroll employment shows an apparent decline of 35,000 in September, but this is not a statistically meaningful number. Household survey employment was also statistically unchanged. The unemployment rate edged up by two-tenths of a percent in December. It is likely the effects of the hurricanes will affect the employment data for the next several months. The hurricanes will also temporarily reduce the rate of economic growth in the second half of 2005.

According to the Congressional Budget Office, the hurricanes will reduce the rate of economic growth by about a half a percentage point in the second half of the year. Some forecasters expect that reconstruction in the Gulf region will boost economic activity in the next year. The National Association for Business Economics survey

projects that the economy will still grow at a rate exceeding 3 percent in both 2005 and 2006. Unfortunately, the upward trend in employment growth was disrupted in September and may take a few months to fully recover. Nonetheless, the data reported today demonstrate a resilience in the U.S. economy in absorbing yet another severe shock.

The Federal Government has responded to the hurricanes by providing \$62 billion in disaster aid in addition to other Federal assistance triggered under a variety of programs. Others have sought as much as \$250 billion in disaster aid, an amount viewed as excessive by many, including the Washington Post editorial page. The Congress will devote much time in the coming months to finding the right policy mix needed for the recovery of the Gulf Coast. Tax and regulatory relief for the employers and employees devastated by the hurricane should certainly be a part of the response.

Mrs. Maloney, do you have an opening statement?

[The prepared statement of Representative Saxton appears in the Submissions for the Record on page 16]

**OPENING STATEMENT OF HON. CAROLYN B. MALONEY,
A U.S REPRESENTATIVE FROM NEW YORK**

Representative Maloney. Yes, thank you very much. I know that Senator Reed is voting, and he will be here and he does have a statement. I would like very much to welcome Deputy Commissioner Ronces and his staff.

I know that you must have been faced with an incredible challenge in producing this month's jobs report. It must have been incredibly hard. I commend you for overcoming the difficult circumstances you must have encountered.

This month's employment report is obviously very dominated by Katrina, and it is impossible to know what it would have looked like without the hurricanes. The net loss of 35,000 jobs is well below what many analysts were predicting, so I am wondering if we have yet seen the full impact of the hurricanes in our job loss and in our job data.

I do know that prior to Katrina, American workers were still waiting to see the benefits of the economic recovery. Job growth was sluggish, there was hidden unemployment, real wages were stagnating, and wage and income inequality was on the rise, which I find tremendously troubling.

I believe this trend is very bad for our country, and I would welcome any comments by you on what we can do to try to adjust it. I hope the Bush administration is paying attention to these trends and will begin to address the growing economic insecurity that is felt by many American workers.

I thank you for your time, and I really look forward to your statements. Thank you.

[The prepared statement of Representative Maloney appears in the Submissions for the Record on page 17]

Representative Saxton. Mr. Ronces, we are anxious to hear your report this morning, so why don't you go ahead?

**STATEMENT OF PHILIP RONES, DEPUTY COMMISSIONER,
BUREAU OF LABOR STATISTICS**

Mr. Rones. Mr. Chairman, and members of the committee, thank you for the opportunity to discuss the September employment and unemployment statistics that we released this morning. Commissioner Utgoff was under the weather this week, and she sends her regrets.

Nonfarm payroll employment was little changed. It was down 35,000 in September, and the unemployment rate increased from 4.9 to 5.1 percent. September labor market developments reflected both the impact of Hurricane Katrina and ongoing job market trends. Over the 12-month period prior to September, nonfarm employment increased by an average of 194,000 per month, and the unemployment rate trended down from 5.4 to 4.9 percent.

Before looking at the data in greater detail, I would like to briefly review the extraordinary efforts that the Bureau of Labor Statistics, the Census Bureau and our State partners undertook to obtain information from our sample establishments and households in the areas affected by Hurricane Katrina.

The hurricane struck the Gulf Coast on August 29th, prior to the reference periods for our September surveys. The severity and scope of the damage led us to carefully evaluate our data collection and estimation procedures. As a result, we modified some aspects of survey operations, and we announced those changes 2 weeks ago. We did not alter the concept or the definitions for either survey. In the payroll survey, employed persons are those who receive pay for any part of the pay period that includes the 12th day of the month. Therefore, people who were on payrolls in the aftermath of Hurricane Katrina were counted as employed even if they were absent from work. In the household survey, employed persons include those who are temporarily absent from their jobs, whether they were paid or not. To be classified as unemployed, persons must be actively looking for work and be available to take a job.

In the establishment survey, BLS and our State partners worked especially hard to contact respondents in hurricane-affected areas in September. We also modified our estimation procedures so that businesses that were closed following the storm, as well as firms that were still operating, would be better represented in the estimates. In the household survey, Census Bureau interviewers worked under difficult conditions to interview sample households in the Gulf Coast. Interviews were not conducted in the two parishes that were under mandatory evacuation orders. These extra steps undoubtedly helped us to get a better picture of the national labor market situation for September.

Turning to the data from our payroll survey, one way to roughly gauge the impact of the hurricane on job growth in September is to compare the over-the-month employment change with the monthly average for the prior year. The change recorded for September, a loss of 35,000 jobs, is about 230,000 less than the average monthly gain over the previous 12 months. Using this simple approach to gauge the hurricane impact assumes that in the absence of the storm, employment growth would have followed its recent trend. To test that assumption, we constructed a rough estimate of the change in payroll employment from August to Sep-

tember, excluding all the sample units in the disaster areas. This exercise showed that total nonfarm employment would have increased by an amount in line with the prior year's average. We will know more about the hurricane's impact when local employment estimates become available later this month.

As we look at the official September data for specific industries, I would note that job losses in the storm-related areas may have been offset or exacerbated by developments in the rest of the economy. In September, retail trade employment overall was down 88,000. There was a particularly large employment decline in food and beverage stores. Much of this decline reflects industry restructuring and associated store closures unrelated to the hurricane. In leisure and hospitality, the job total fell by 80,000 in September in part due to the hurricane. There were large losses in food services and drinking places, and in amusement, gambling, and recreation establishments.

Employment in professional and business services increased by 52,000 over the month, with a large gain in temporary help services. The employment increase in temporary help services for September was more than twice as large as the average monthly gain for the prior 12 months. It is possible that some of the September growth was due to the hiring of workers to assist in post-hurricane recovery efforts.

Health care added 37,000 jobs over the month, continuing its long-term growth. Employment also continued to trend up in financial activities.

In the goods-producing sector of the economy, construction added 23,000 jobs in September, equal to the average monthly gain for the prior year. Manufacturing employment was down by 27,000. Much of the decline reflected a strike in the aerospace industry that took 18,000 workers off payrolls.

Turning to some of the major labor market indicators from our household survey, the number of unemployed persons rose by 270,000 over the month, and the jobless rate increased from 4.9 to 5.1 percent. Most of the increase in unemployment occurred among job losers, and the labor force participation rate held at 66.2 percent in September.

In summary, payroll employment was little changed in September, and the unemployment rate rose to 5.1 percent. It is clear that Hurricane Katrina adversely affected labor market conditions in September. However, we cannot quantify precisely the overall effects of the disaster and its aftermath on the September employment and unemployment figures. We hope to get additional insight as more data becomes available.

Of course, my colleagues and I would now be glad to answer any of your questions.

Representative Saxton. Thank you very much, Mr. Ronces.

[The prepared statement of Mr. Ronces appears in the Submissions for the Record on page 19]

Representative Saxton. Senator Reed was delayed by a vote in the Senate this morning, so he has asked that he be granted some time here to give his opening statement. So we will proceed with your opening statement.

**OPENING STATEMENT OF HON. JACK REED, RANKING
MINORITY, A U.S. SENATOR FROM RHODE ISLAND**

Senator Reed. Thank you, Mr. Chairman, very much. Again I apologize. We had a vote on the defense appropriations bill, which is something that no one can miss.

Thank you again, Mr. Chairman. This is a very important hearing because it is our first look at the jobs data that begins to reflect the impact of Hurricane Katrina. I want to commend Deputy Commissioner Rones and all of the members of the Bureau of Labor Statistics for producing this month's employment statistics under truly extraordinary circumstances. Thank you very much.

Obviously, this month's employment report is dominated by the devastating impact of Hurricane Katrina on the gulf coast. The human costs were tragic and the property losses staggering. For the economy as a whole, the net job losses in September were 35,000. That is substantially below what markets were expecting, which may reflect the difficulty we face in getting a clear picture of the impact of the hurricane on employment.

We don't know what this month's employment report would have looked like without Katrina, but we do know that prior to Katrina, the labor market was still feeling the effects of the most protracted job slump in decades. The growth in payroll and employment since job losses peaked in May 2003 has been modest by the standards of most economic recoveries, and we haven't seen very many months of truly healthy job growth.

Although the unemployment rate has come down, it is still considerably higher than the 4 percent rate achieved in the expansion of the 1990s. There is evidence of hidden unemployment, with labor force participation and the fraction of the population with a job still at depressed levels.

And finally, of course, there is the disappointing performance of wages. The typical worker's earnings are not keeping up with their rising living expenses. Gasoline prices have been high, and home heating costs are expected to be substantially higher this winter than they were last winter. The real wage gains we have seen in the past year or so have been concentrated in the upper reaches of the wage distribution, while real earnings in the middle or lower portions of the distributions are falling.

I am troubled by the fact that President Bush wasted little time exercising his power to lift a Federal law governing workers' pay on Federal contracts in the hurricane-ravaged areas. That provision, known as the Davis-Bacon Act, requires Federal contractors to pay the prevailing or average wage in the region. According to the Department of Labor, the prevailing wage for construction labor is about \$10 an hour in New Orleans, where last year the overall poverty rate was about 2 percentage points higher than the national average, and 25 percent of children lived in poverty.

It is certainly hard to take seriously the President's rhetoric about wanting to lift families out of poverty while legitimizing sub-par wages for workers rebuilding their communities on the gulf coast. The Davis-Bacon wage protection for workers should be restored immediately.

The American economy is resilient and forecasters expect that reconstruction efforts in the wake of the gulf hurricanes will stimu-

late the recovery in jobs from the depressed levels we see in this month's job report. I hope they are right. But I also hope that President Bush knows that many American workers do not feel they are part of the economic recovery. That was reflected in the Conference Board's consumer confidence index which dropped by 17.9 percent last month, its largest decline since October of 1990, and the University of Michigan's index of consumer sentiment, which posted its largest drop since December 1980. Economic insecurity is not just growing, it is becoming palpable.

I look forward to Deputy Commissioner Rones' statement and further discussion of the September employment situation. I thank the Chairman for allowing me these words. Thank you.

Representative Saxton. Thank you, Senator.

[The prepared statement of Senator Reed appears in the Submissions for the Record on page 50]

Representative Saxton. Mr. Rones, when I received word of the announced data this morning, I was somewhat surprised. I anticipated that there would be significant loss of employment due to the hurricanes, which I believe goes without saying, actually occurred. Yet we saw a loss of employment nationwide of only 35,000 jobs which is, as I noted earlier, statistically insignificant.

The question is this: If we lost hundreds of thousands of jobs, then what accounts for the mild, statistically insignificant measure of job losses?

Mr. Rones. The best way to look at the job loss is not just looking at that net loss of 35,000. It is really looking at the difference between that and what we would have normally expected to get based on recent trends.

A simple calculation of that tells us that we were about 230,000 below the normal trend. That is probably a better measure of the hurricane effects. We also have to keep in mind that there were quite a number of particularly larger companies that continued to pay people. So even though those people were displaced from their jobs, by our definitions they were still employed because they were still on employer payrolls. Clearly, we are seeing a substantial hurricane effect in our data.

Representative Saxton. And while we are seeing a substantial hurricane effect, what could be said about the job growth picture or job loss picture nationwide?

Mr. Rones. What we were able to do is run our employment data, leaving out the establishments from the hurricane-affected area. So basically we are looking at what happened in the rest of the country as kind of a baseline. In fact, the employment grew right on trend, roughly 200,000 or so for the month of September, which was pretty much what we were getting before the hurricane.

Representative Saxton. Is the level of September payroll employment statistically different from that of August?

Mr. Rones. The level is not. That is, the decline of 35,000 is not statistically significant. Again, in this special circumstance, I would look at it differently. I would say that compared to what we would have gotten—and again our estimate for the rest of the economy gives us a good foundation for that—we were about 230,000 down. A change like that would clearly be statistically significant.

Representative Saxton. The same could be said about the household employment levels?

Mr. Rones. The household employment is essentially unchanged.

Representative Saxton. Does the data reported today suggest that the underlying trend in job growth continues, if one were to set aside the temporary effects of the hurricane versus a follow-on to my original question?

Mr. Rones. Yes. I think that is definitely the case. I think that is what we see in the remainder of the country, a continuation of recent trends.

Representative Saxton. Were you able to see any data that give any insight into the continuing effects of the hurricanes in the region affected?

Mr. Rones. Certainly in the employment data that we have on hand, we see effects across the industry range. When we get the State data, which will be available in 2 weeks, we will have a much better view of the geographically isolated effects.

We were able to take a cursory look at the firm-specific data in this region, and clearly we are seeing disemployment effects across the industry range.

Representative Saxton. Have you been able to look at it on a state-by-state basis—I suspect that Louisiana and Mississippi were the States with the most difficult situation—and talk a little bit about that for us?

Mr. Rones. Again, the official data for the States won't be available for 2 weeks. The State analysts have spent some time reviewing all the data for their States specifically. But from our national sample, we are able to take a cursory look at the State data. Again, it is clear that the weakness is isolated in those States. I am talking specifically about our payroll employment data.

Representative Saxton. Could you highlight industry data in today's report that seem to have been significantly affected by the hurricane?

Mr. Rones. When we do that exercise where we look at the rest of the economy, that is, geographically, the rest of the Nation, as compared to the hurricane-affected areas, we see declines across the board. Some of things that show up in the national statistics that I talked about in my statement would be, for instance, the leisure and hospitality industry might be partly a result of that.

On the flip side, some of the growth in temporary help might be the first signs that some temporary workers are on duty in Louisiana and Mississippi doing some of the recovery work.

Representative Saxton. Thank you. One more question. Have you noticed on an industry-by-industry basis the effects on the oil and gas extraction industry?

Mr. Rones. Let me get those numbers for you.

Representative Saxton. Sure.

Mr. Rones. Employment in oil and gas extraction was up 1,000. That may be partly due to the payment status of employees, even on those rigs that were closed, many of those people may have been paid.

Representative Saxton. So you don't really know whether that 1,000 gross is a real number or whether it is because people have just remained on payrolls?

Mr. Ronces. Right. It doesn't necessarily reflect how many people are actually on duty. What it does reflect is their payment status.

Representative Saxton. Thank you. Mr. Reed.

Senator Reed. Thank you very much, Mr. Chairman.

And again, Commissioner Ronces and your colleagues, you are doing an exceptional job under very difficult circumstances, and I thank you for that.

I just want to probe, if I could, some of the methods you had to adopt to come up with these statistics and see what biases might be included in that approach. As I understand it, businesses that did not respond to the payroll survey were treated as having zero employment. What bias might that lead to in terms of over- or undercounting?

Mr. Ronces. The businesses that would have been treated that way are just those in the most affected areas: The places that were under water, the places that were evacuated, the places that had extreme damage. So our assumption was that those people were not working, even if we didn't get a report. It seemed like quite a reasonable assumption. We didn't carry that assumption to the remainder of the disaster counties or other areas in those States. So while the bias from that would be a potential upward bias, we did as much as we could to contact those firms. If we were unable to do that, we tried to actually get secondary sources, even through the Internet, as to whether those companies were working or whether they were paying their employees. So despite the potential bias that you mentioned, I think we were probably able to do a pretty good job of estimation.

Senator Reed. Going to a related issue, there are some businesses that were keeping people on the payroll at least temporarily, although there was no work because of the conditions in their company. And those workers might not ultimately go back to work, but at least in the short run they are being kept on the payrolls.

That could understate the negative job impacts of the storm, and that is another potential bias. How have you tried to deal with that, Commissioner?

Mr. Ronces. We have maintained our concepts, so in these data, we are reflecting the payroll status. What you will see is, in coming months, those effects will show up. As an example, we have had some announcements from some of the government entities in the New Orleans area, where they have kept people on payrolls, that they will cut back. So we will pick that up in future months.

Senator Reed. So in this situation, these numbers will potentially get worse as companies who, in the immediate shock of the storm, maintained employment, now are realizing they can't, and New Orleans is a good example?

Mr. Ronces. It will definitely go both ways. At the same time that people are being let go because their companies or the government agencies can't pay them anymore, other companies will be coming back on line as their electricity comes back and services are restored. So how that washes out, it is hard to predict. But there will be factors that go both ways.

Senator Reed. Now, with respect to the household survey, you indicated very clearly that you could not conduct interviews in Jef-

ferson and New Orleans Parish. And the procedure to make up for that lack of information was to survey in other parishes?

Mr. Rones. No. What we did in our household survey was basically keep with our normal estimation procedures. And it doesn't work particularly well for this disaster because the way it works is, other people who did report end up representing those who didn't.

In the payroll survey, we were able to make reasonable assumptions about the status of people. We talked about if a firm is shut down in a disaster area that is under water, we can say that they weren't employed. That is a reasonable assumption. But the household survey concepts make it difficult for us to do that. So if you lost your job down there, how are we going to classify you next month? Are you unemployed? Well, we don't know whether you are looking for work because we don't know where you are. And you have to be actively looking for work to be classified that way.

Chances are many of those people at the time of the survey would have been out of the labor force; that is, they were taking care of family business or taking care of household problems. They were not actively looking for work. They were not available for work. And finally, others may have viewed their job loss as temporary, so they expect to be recalled. Under our concept, those people would have been employed.

So we just had no good basis to simply assign a labor force status for the people that we didn't get information for.

Senator Reed. So for the household survey, you are much less confident about the accuracy versus the payroll survey?

Mr. Rones. I think that is a fair statement. What I would suggest, though, for those who are interested in unemployment, is to look at the unemployment insurance claims data. Now, normally we would say that the claims are far more restrictive a concept than our total unemployment. That is always the case.

But the Department of Labor has expanded its eligibility requirements for people who might not otherwise have qualified for unemployment insurance. And, in fact, what we see is, that leading up to the hurricane we had weekly claims of about 320,000 each week, and it was pretty stable. If you look at the last 4 weeks, the Department of Labor data showed that claims have been at least 300,000 higher than we would have expected. And so that is a reasonable gauge of unemployment, probably a better gauge than we can get from our household surveys.

Senator Reed. And with that gauge, what would be the unemployment rate—do you have it off the top of your head?

Mr. Rones. Well, if there was an increase of 300,000 in unemployment, it would raise the rate two-tenths

Senator Reed. So that number would be 5.3?

Mr. Rones. Well, we are reporting 5.1, but we are probably picking up some of that unemployment. So perhaps it could have gone up a tenth, but that is speculation on our part.

Senator Reed. Let me just quickly turn to another issue. I know this is an employment hearing, but the BLS also is collecting price information. One of the questions that the Chairman alluded to is the effect of the storms not just on employment in the energy sector, but on energy prices. It is my assumption and presumption

that energy prices were accelerating well in advance of Katrina, and I would sense—I would ask if that is accurate.

And second, what is your notion of how Katrina will affect these energy prices overall.

The final point, how will that contribute to the CPI? If you have any thoughts.

Mr. Rones. I will ask Dr. Greenlees to answer that.

Senator Reed. Thank you.

Dr. Greenlees. Well, on the question of whether energy prices were accelerating prior to the hurricane, that is certainly correct.

The most recent data in the Consumer Price Index, which is our most broad measure of inflation, are for August. We will publish the September CPI data on October 14th.

But through August of this year, energy prices facing consumers have been increasing at a seasonally adjusted annual rate of 25.7 percent. So that is significantly higher than in recent years.

On the question of whether increases will result from the hurricane, we don't have a direct method of determining any subsequent increase in energy prices or gasoline prices in the CPI that would be attributable to the hurricane as opposed to anything else. We wouldn't be doing that sort of analysis. But the question is, do we expect to see further energy price increases? Well, the answer would be, again, yes.

There are data for September that are published by the Energy Information Administration of the Department of Energy that suggest that there have been significant increases in gasoline prices during September. And we would expect those to show up in the Consumer Price Index. The weight of gasoline, for example, in the CPI is such that if, for example, there was a 10 percent increase in gasoline prices, that would raise the CPI by about five-tenths of a percent by itself.

Senator Reed. Thank you very much, Dr. Greenlees. Thank you very much, Commissioner.

Representative Saxton. Senator, I can't resist the opportunity to follow up on Senator Reed's last question and Dr. Greenlees' remarks. I think the hurricane situation has demonstrated full well the vulnerability that this country faces in terms of its energy supply and disruptions in the energy supply.

It seems to me that while we are going to vote on the energy bill later today, that we continue to ignore the basic elements of finding other ways, through creativity and using different types of science, to develop efficient ways to fuel our economy, literally fuel our economy—other than petroleum. It is a frustration to me to have watched this go on over these many years and for our bills that we are considering today—which I don't intend to vote for—continue along the same lines when, in fact, technology exists to get us away from petroleum.

I would just say to my companions here on the dias, you may check out a couple of bills that I have introduced that I call "Set America Free" legislation, which would move us toward alternative fuels. It would move us toward biofuels. It would move us in transportation toward hybrid automobiles. Again, these technologies already exist. They are already being produced. We are just not using them.

Mr. Paul.

Representative Paul. Thank you, Mr. Chairman. I have just one brief question. So far today, we have heard that the hurricane is very important in affecting the unemployment statistics. We talk about other events like 9/11 and oil shocks and how this will affect the economy and unemployment.

I am wondering if any of you give consideration to monetary policy and its effect on the business cycle, and thus affecting the unemployment rate? How often do you take that into consideration, and do you consider it very important issue?

Mr. Rones. We have a strict rule in the Bureau of Labor Statistics that we avoid policy analysis so that you can be in a position where you can trust that the statistics and the analysis that we put out are unbiased. So on that basis, I would say that I really don't have an opinion on the effect of monetary policy on employment.

Representative Paul. So you are saying you don't have an opinion that monetary policy could have on it? I am not saying what the effect is or what monetary policy you should advocate, but do you think there is a connection?

Mr. Rones. As a trained economist, I would certainly grant you that there is a potential effect of monetary policy on the economy.

Representative Paul. Thank you.

Representative Saxton. Thank you. Ms. Maloney.

Representative Maloney. Thank you, Mr. Chairman, and I intend to look at your "Set America Free" bill. I agree with you completely that we should be moving to hybrid cars and alternative energies. We should have done it a long time ago. So I may be joining you in that effort.

I am very concerned, Mr. Rones, about the reports of the growing gap between the haves and the have-nots. This is not good for anyone. I just would like to ask what has happened to the average hourly earnings of wage and salary workers since the economy finally started to create jobs in May of 2003; and, specifically, has the increase in wages over that period been less than the increase in the cost of living?

Mr. Rones. The average hourly earnings of production workers rose from 15.31 in May 2003 to 16.15 in August 05. Those are seasonally adjusted figures. That is an increase of 5.5 percent. So over the same period, the CPI rose by 7 percent.

Representative Maloney. So wages have really lagged far behind the growth in productivity over the past 4 years, would you say?

Mr. Rones. We have certainly experienced strong productivity growth in recent years. Output per hour in our nonfarm business sector rose more than 14 percent from the second quarter of 2001 to the second quarter of this year. Over the same period, the average hourly earnings for production workers rose by 10.7 percent, so definitely less than the increase in productivity.

Representative Maloney. Is that an unusual trend? Productivity increases so much over wages?

Mr. Rones. In the long term, there tends to be a relationship between productivity and wages. In relatively short periods of time, you can see them going in directions that aren't consistent with the

long-term trend. So I would say it is unusual, but it is not typical of the long-term trend.

Representative Maloney. The Bureau of Labor Statistics publishes data on the usual weekly earnings of full-time workers, including some information about the wage distribution; is that correct?

Mr. Rones. That is correct. That comes from our household survey.

Representative Maloney. Our staff has calculated that from the fourth quarter of 2000 to the fourth quarter of 2004, median earnings have increased by just .2 percent per year after inflation. Does that seem about right to you?

Mr. Rones. Yes, that is very close. I think our calculations for that period are .15 percent, which could round to .2, so that is about right.

Representative Maloney. Over that same period, hasn't there been widening inequality, with growth at the top of the distribution but a decline at the bottom?

Mr. Rones. So over that same 4-year period that you asked about in the previous question, the way we look at this is we look at deciles. You take the earnings distribution of the population and break it into tenths. So if we look at the ninth decile, which is the highest earners, their earnings went up 13.7 percent over that period. If you go to the bottom end of the distribution, it is somewhat less; it is 8.5 percent.

Representative Maloney. Quite a bit less. Hasn't that inequality gotten worse in the most recent four quarters, with the real growth only at the top, the 90th percentile, and declined elsewhere; and the largest decline at the very bottom, the tenth percentile?

Mr. Rones. Over the past year—so the most recent data we are looking at would be the second quarter. Over that year, weekly earnings at the ninth decile—again, those are the highest earners—are up about 3.1 percent in nominal terms. Earnings at the first decile are up just 1 percent.

So given that the CPI is up 3 percent over that period, we would say that in the ninth decile there is a very, very slight increase in real earnings, where at the bottom of the distribution there is a decline in real earnings.

Representative Saxton. Thank you very much.
Ms. Sanchez.

**STATEMENT OF HON. LORETTA SANCHEZ,
A U.S. REPRESENTATIVE FROM CALIFORNIA**

Representative Sanchez. Thank you, Mr. Chairman. Thank you, gentlemen, for being before us.

I have several questions and they go along two lines. One, I would like to talk a little bit about what is going on with Katrina, if you can; and secondly, just overall, what I see looming on the horizon for the economy and things that are worrying me.

If you were a victim of Katrina, where would you go—where would you go to file unemployment? I mean, were there—could you go if you were a refugee in Texas and do that? So have you seen any of the real impact on people who are—I know that you said

that some people stayed employed, like with the city. But yesterday the city announced half of its workers would go off.

So I am wondering about the logistics so we can figure out when we will really see the impact of something like Katrina.

Mr. Rones. I think we are seeing the impact, because one of the first things the Department of Labor did was to make sure that the people in the area had a way to file for unemployment insurance benefits.

There were special grants given to the affected States to increase their capacity to accommodate this flow of claimants. The Department of Labor has contracted for—I think it is 150 counselors—to work at employment centers, not only in Louisiana, Alabama, Mississippi, but in all the States surrounding it that got substantial numbers of refugees, to help people in their transition to jobs in those areas. I think that is a system that worked pretty well.

When I say that the unemployment insurance claims were more than 300,000 above what they would have been under a normal situation, that would be a substantial portion of the people who are displaced from jobs.

Representative Sanchez. You know, I am also worried about this prevailing wage rollback by the President. The biggest reason is, of course, people who are used to making \$18 or \$36 an hour now may make \$8 or \$9 an hour. How do you think that will affect these people?

Have you guys looked at the prevailing wage reduction in a construction area like that? I ask this question because I am assuming that with the Federal moneys coming in, that construction will at some point start to pick up in that area and we will see a significant number of new jobs created because of rebuilding after Katrina. But what I have seen in my particular area is people maybe not being unemployed but being underemployed.

In other words, they used to have a \$36-an-hour job with benefits and now they have two part-time jobs, one at \$7 an hour and one at \$8 an hour, neither of which carry benefits.

Would you anticipate that type of a situation given that—a very basic pillar called prevailing wage in the construction industry may go away in Katrina?

Mr. Rones. I wouldn't comment on the policy decision to waive the Davis-Bacon.

Representative Sanchez. I am asking in your economist role, what would you anticipate would happen there with underemployment?

Mr. Rones. What I would say is we have a lot of experience with measuring the effects of worker displacement. Typically it is for other reasons. As a supplement to our household survey, every 2 years we look at worker displacements, and what we find is that it is not unusual for people who lose jobs, for any reason—and I would include the hurricane in that context—to take a considerable amount of time to find work, and for those who find work to find work at lower wages. So that is a fairly typical impact of worker displacement.

What we also find is many people, maybe even the majority of people, relatively soon after displacement, are able to get jobs that are comparable to their original jobs.

Representative Sanchez. But in this particular case, the Federal Government is pretty much lowering the mandate, so people probably won't find comparable jobs. If you are a carpenter who used to make \$36 an hour, I think it is going to be very difficult for you to go back into the same arena and make those \$36 an hour now that the prevailing wage has been undone by the President, wouldn't you say?

Mr. Rones. I wouldn't phrase it that way because of our different roles. But I understand that you are saying that there will be a reduction in the pay rate for jobs in the construction industry. We will wait to measure that in our surveys and to see what the effect is.

One thing we do know is that employment pay rates are subject to the laws of supply and demand. There will be an unprecedented demand for construction labor in that area. Again, economic theory would tell me that that would tend to drive up the prevailing wages in that area.

Representative Sanchez. So you think it is going to go above the prevailing wage rate?

Mr. Rones. No. I am saying that when you have an increase in demand of that magnitude, economic theory would tell you that wages tend to go up.

Representative Sanchez. I know my time is up—

Representative Saxton. Excuse me—

Representative Sanchez. I would like to just put on the record that the President has, in fact, lowered the prevailing wage rate. He is hoping that the cost per hour will come down.

Representative Saxton. Mrs. Sanchez, if you could please summarize, if you haven't already.

Representative Sanchez. Mr. Chairman, let me repeat what I just said. President Bush, I think, has lowered the prevailing wage rate because it is his hope that people will make less per hour when they go in these construction jobs. That is the whole reasoning behind lowering the prevailing rate. Thank you.

Representative Saxton. Mr. Rones, thank you for being with us this morning. We appreciate it very much.

I was interested in the comment that you made. It occurred to me about the same time when Ms. Sanchez was asking her question, that with the population in the area dispersed the way it is, and workers in that population dispersed, who would like to go back home, and with the amount of reconstruction or construction that there is to be done, certainly the demand for labor will increase. It would be very difficult to discern what effect that would have on the cost of labor in the area, given the fact that we know that there is going to be a high demand and given the questions involved in where the labor is and whether there will be an adequate supply of labor. So it could very well be, as you suggest, that the cost of labor could increase.

Mr. Reed.

Senator Reed. Mr. Chairman, I don't have a question. I believe neither does Ms. Maloney, but I think Congresswoman Sanchez has a question.

Representative Saxton. We are not going to have a second round. We are going to let Mr. Rones go. Thank you for coming this

morning. We appreciate very much your participation and we look forward to seeing you in the months ahead.

Mr. Rones. Thank you very much.

[Whereupon, at 10:24 a.m., the committee was adjourned.]



CONGRESS OF THE UNITED STATES

JOINT ECONOMIC COMMITTEE

CHAIRMAN JIM SAXTON

PRESS RELEASEFor Immediate Release
October 7, 2005

**STATEMENT OF CHAIRMAN
JIM SAXTON
SEPTEMBER EMPLOYMENT
SITUATION**

Press Release #109-38
Contact: Christopher Frenze
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WASHINGTON, D.C. – I would like to welcome Deputy Commissioner Rones of the Bureau of Labor Statistics (BLS) and his colleagues before the Committee this morning to discuss the September employment data.

As we all know, both the household and establishment measures of employment in September have been affected by Hurricane Katrina. The catastrophic impact of Katrina on the Gulf Coast has caused a tragic loss of life and widespread destruction of property and businesses. Many of the affected businesses either have been unable to reopen or have only partially recovered, and do not have the resources to continue to meet payrolls at previous levels. As a result, employment was essentially unchanged in September as measured in both employment surveys.

According to the establishment survey, payroll employment shows an apparent decline of 35,000 in September, but this is not statistically meaningful. Household survey employment was also statistically unchanged. The unemployment rate edged up by 0.2 percent in September. It is likely that the effects of the hurricanes will affect the employment data for the next several months. The hurricanes will also temporarily reduce the rate of economic growth in the second half of 2005.

According to the Congressional Budget Office (CBO), the hurricanes will reduce the rate of economic growth by about half a percentage point in the second half of the year. Some forecasters expect that reconstruction in the Gulf region will boost economic activity next year.

The National Association for Business Economics (NABE) survey projects that the economy will still grow at a rate exceeding 3 percent in both 2005 and 2006. Unfortunately, the upward trend in employment growth was disrupted in September, and may take a few months to fully recover. Nonetheless, the data reported today demonstrate the resilience of the U.S. economy in absorbing yet another severe shock.

The Federal Government has responded to the hurricanes by providing \$62 billion in disaster aid in addition to the other Federal assistance triggered under a variety of programs. Others have sought as much as \$250 billion in disaster aid, an amount viewed as excessive by many, including the *Washington Post* editorial page. The Congress will devote much of its time in coming months to finding the right policy mix needed for the recovery of the Gulf Coast. Tax and regulatory relief for the employers and employees devastated by the hurricanes should certainly be part of the Federal response.

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Statement of Rep. Carolyn Maloney
JEC Hearing on the Employment Situation
October 7, 2005

Thank you, Mr. Chairman. I know Senator Reed has a statement, but I would like to welcome Deputy Commissioner Rones and the other members of the BLS staff. I know you have been faced with an extraordinary challenge producing this month's job report, and I commend you for the effort you have put in.

This month's employment report is dominated by Katrina and Rita and it is impossible to know what it would have looked like without the hurricanes. The net loss of 35,000 jobs is well below what many analysts were expecting, so I am wondering if we have yet seen the full impact of the hurricanes in our jobs data.

I do know that prior to Katrina American workers were still waiting to see the benefits of the economic recovery. Job growth was sluggish, there was hidden unemployment, real wages were stagnating, and wages and income inequality was on the rise. I hope the Bush Administration is paying attention to those trends and will begin to address the growing economic insecurity felt by American workers.

Statement of

Philip L. Rones
Deputy Commissioner
Bureau of Labor Statistics

before the

Joint Economic Committee

UNITED STATES CONGRESS

Friday, October 7, 2005

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to discuss the September employment and unemployment statistics that we released this morning.

Nonfarm payroll employment was little changed (-35,000) in September, and the unemployment rate increased from 4.9 to 5.1 percent. September labor market developments reflected both the impact of Hurricane Katrina and ongoing job market trends. Over the 12-month period prior to September, nonfarm employment increased by an average of 194,000 per month, and the unemployment rate trended down from 5.4 to 4.9 percent.

Before looking at the data in greater detail, I'd like to briefly review the extraordinary efforts the Bureau of Labor Statistics, the Census Bureau, and our state partners undertook to obtain information from our sample establishments and households in the areas affected by Hurricane Katrina.

The hurricane struck the Gulf Coast on August 29, prior to the reference periods for our September surveys. The severity and scope of the damage led us to carefully evaluate our data collection and estimation procedures. As a result, we modified some aspects of survey operations and we announced those changes about 2 weeks ago. We did not alter the concepts or definitions for either survey. In the payroll survey, employed persons are those who receive pay for any part of the pay period that includes the 12th day of the month. Therefore, people who were on payrolls in the aftermath of Hurricane Katrina were counted as employed even if they were absent from work. In the household survey, employed persons include those who are temporarily absent from their jobs, whether they are paid or not. To be classified as unemployed, persons must be actively seeking work and be available to take a job.

In the establishment survey, BLS and our state partners worked especially hard to contact respondents in

hurricane-affected areas in September. We also modified our estimation procedures so that businesses that were closed following the storm, as well as firms that were still operating, would be better represented in the estimates. In the household survey, Census Bureau interviewers worked under difficult conditions to interview sample households in the Gulf Coast. (Interviews were not conducted in two parishes in the New Orleans area that were under mandatory evacuation orders.) These extra steps undoubtedly helped us get a better picture of the national labor market situation for September.

Turning to the data from our payroll survey, one way to roughly gauge the impact of the hurricane on job growth in September is to compare the over-the-month employment change with the monthly average for the prior year. The change reported for September--a loss of 35,000 jobs--is about 230,000 less than the average monthly gain over the previous 12 months. Using this simple approach to gauge the hurricane impact assumes that, in the absence of the storm, employment growth would have followed its recent trend. To test that assumption, we constructed a rough estimate of the change in payroll employment from August to September excluding all of the sample units in the disaster areas. This exercise showed that total nonfarm employment

would have increased by an amount in line with the prior year's average. We will know more about the hurricane's impact when local employment estimates become available later this month.

As we look at the official September data for specific industries, I would note that job losses in the storm-related areas may have been offset or exacerbated by developments in the rest of the country. In September, retail trade employment overall was down by 88,000. There was a particularly large employment decline in food and beverage stores (-30,000); much of this decline reflects industry restructuring and associated store closures unrelated to the hurricane. In leisure and hospitality, the job total fell by 80,000 in September, in part due to the hurricane. There were large losses in food services and drinking places (-54,000) and in amusement, gambling, and recreation establishments (-19,000).

Employment in professional and business services increased by 52,000 over the month, with a large gain in temporary help services (32,000). The employment increase in temporary help services for September was more than twice as large as the average monthly gain for the prior 12 months. It is possible that some of the September growth

was due to the hiring of workers to assist in post-hurricane recovery efforts.

Health care added 37,000 jobs over the month, continuing its long-term growth. Employment also continued to trend up in financial activities.

In the goods-producing sector of the economy, construction added 23,000 jobs in September, equal to the average monthly gain for the prior year. Manufacturing employment was down by 27,000 in September; much of the decline reflected a strike in the aerospace industry that took 18,000 workers off payrolls.

Turning to some of the major labor market indicators from our household survey, the number of unemployed persons rose by 270,000 over the month and the jobless rate increased from 4.9 to 5.1 percent. Most of the increase in unemployment occurred among job losers. The labor force participation rate held at 66.2 percent in September.

In summary, payroll employment was little changed in September, and the unemployment rate rose to 5.1 percent. It is clear that Hurricane Katrina adversely affected labor market conditions in September. However, we cannot quantify precisely the overall effects of the disaster and its aftermath on the September employment and unemployment

figures. We hope to get additional insight as more data become available.

My colleagues and I now would be glad to address your questions.

News

United States
Department
of Labor



Bureau of Labor Statistics

Washington, D.C. 20212

Technical information:

Household data: (202) 691-6378 USDL 05-1946
<http://www.bls.gov/cps/>

Establishment data: 691-6555 Transmission of material in this release
<http://www.bls.gov/ces/> is embargoed until 8:30 A.M. (EDT),

Media contact: 691-5902 Friday, October 7, 2005.

THE EMPLOYMENT SITUATION: SEPTEMBER 2005

Nonfarm payroll employment was little changed (-35,000) in September, and the unemployment rate rose to 5.1 percent, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The measures of employment and unemployment reported in this news release reflect both the impact of Hurricane Katrina, which struck the Gulf Coast in late August, and ongoing labor market trends. Over the 12 months ending in August, payroll employment grew by an average of 194,000 a month and the unemployment rate trended downward.

Hurricanes Katrina and Rita

Data for September are the first from the household survey (Current Population Survey or CPS) and the establishment survey (Current Employment Statistics survey or CES) to reflect the impact of Hurricane Katrina.

In September, the CPS was conducted largely according to standard procedures. Efforts were made to contact households in storm-affected areas with the exception of Orleans and Jefferson parishes in Louisiana, which were under mandatory evacuation orders when interviewer instructions were issued.

For the September CES estimates, several modifications to the usual estimation procedures were adopted to better reflect employment in Katrina-affected areas. The changes included: a) modification of procedures to impute employment counts for survey nonrespondents in the most heavily impacted areas, b) adjustments to sample weights for sample units in the more broadly defined disaster area to compensate for lower-than-average survey response rates, and c) modification of the adjustment procedure for the business net birth/death estimator to reflect likely changes in business birth/death patterns in the disaster areas.

Hurricane Rita made landfall during the September data collection period. As a result, response rates for both surveys were lower than normal in some areas. However, because the reference periods for both surveys occurred before Hurricane Rita struck, the impact of this storm on measures of employment and unemployment was negligible.

For more information on household and establishment survey procedures and estimates for September 2005, see <http://www.bls.gov/katrina/cpscesquestions.htm>. Or, call (202) 691-6378 for information about the household survey, and (202) 691-6555 for information about the establishment survey.

Table A. Major indicators of labor market activity, seasonally adjusted
(Numbers in thousands)

Category	Quarterly averages		Monthly data			Aug.- Sept. change
	2005		2005			
	II	III	July	Aug.	Sept.	
HOUSEHOLD DATA						
Labor force status						
Civilian labor force.....	149,003	149,835	149,573	149,841	150,093	252
Employment.....	141,404	142,319	142,076	142,449	142,432	-17
Unemployment.....	7,599	7,516	7,497	7,391	7,661	270
Not in labor force.....	76,671	76,587	76,580	76,581	76,600	19
Unemployment rates						
All workers.....	5.1	5.0	5.0	4.9	5.1	0.2
Adult men.....	4.4	4.4	4.3	4.3	4.5	.2
Adult women.....	4.6	4.6	4.7	4.4	4.6	.2
Teenagers.....	17.4	16.1	16.1	16.5	15.8	-.7
White.....	4.4	4.3	4.3	4.2	4.5	.3
Black or African American.....	10.3	9.5	9.5	9.6	9.4	-.2
Hispanic or Latino ethnicity.....	6.1	5.9	5.5	5.8	6.5	.7
ESTABLISHMENT DATA						
Employment						
Nonfarm employment.....	133,429	p133,994	133,865	p134,076	p134,041	p-35
Goods-producing ¹	22,134	p22,148	22,134	p22,154	p22,155	p1
Construction.....	7,217	p7,261	7,235	p7,262	p7,285	p23
Manufacturing.....	14,292	p14,255	14,270	p14,261	p14,234	p-27
Service-providing ¹	111,295	p111,846	111,731	p111,922	p111,886	p-36
Retail trade ²	15,180	p15,230	15,249	p15,265	p15,177	p-88
Professional and business services.....	16,867	p17,007	16,964	p17,002	p17,054	p52
Education and health services.....	17,289	p17,427	17,377	p17,427	p17,476	p49
Leisure and hospitality.....	12,741	p12,799	12,801	p12,838	p12,758	p-80
Government.....	21,753	p21,845	21,817	p21,843	p21,874	p31
Hours of work ³						
Total private.....	33.7	p33.7	33.7	p33.7	p33.7	p0.0
Manufacturing.....	40.4	p40.5	40.5	p40.5	p40.5	p.0
Overtime.....	4.4	p4.5	4.5	p4.5	p4.4	p-.1
Indexes of aggregate weekly hours (2002=100) ³						
Total private.....	102.4	p102.9	102.8	p103.0	p102.8	p-0.2
Earnings ³						
Average hourly earnings, total private.....	\$16.03	p\$16.16	\$16.14	p\$16.15	p\$16.18	p\$0.03
Average weekly earnings, total private.....	\$40.86	p\$44.48	\$43.92	p\$44.26	p\$45.27	p1.01

¹ Includes other industries, not shown separately.

² Quarterly averages and the over-the-month change are calculated using unrounded data.

³ Data relate to private production or nonsupervisory workers.

p=preliminary.

Unemployment (Household Survey Data)

Both the number of unemployed persons, 7.7 million, and the unemployment rate, 5.1 percent, rose in September. They had been trending down in recent months and remain lower than a year earlier. (See table A-1.)

The unemployment rates for most major worker groups—adult men (4.5 percent), adult women (4.6 percent), whites (4.5 percent), and Hispanics or Latinos (6.5 percent) rose in September. The jobless rates for teenagers (15.8 percent) and blacks (9.4 percent) showed little change. The unemployment rate for Asians was 4.1 percent, not seasonally adjusted. (See tables A-1, A-2, and A-3.)

In September, the number of persons unemployed due to job loss rose by 234,000 to 3.7 million. The number of newly unemployed—those who were unemployed less than 5 weeks—grew by 193,000 to 2.7 million. Both of these numbers had been trending down in recent months. (See tables A-8 and A-9.)

Total Employment and the Labor Force (Household Survey Data)

Total employment (142.4 million) and the employment-population ratio (62.8 percent) were little changed in September. The labor force participation rate (66.2 percent) was unchanged over the month. (See table A-1.)

Persons Not in the Labor Force (Household Survey Data)

In September, 1.4 million persons were marginally attached to the labor force, about the same as a year earlier. These individuals wanted and were available to work and had looked for a job sometime in the prior 12 months. They were not counted as unemployed, however, because they did not actively search for work in the 4 weeks preceding the survey. The number of discouraged workers, at 362,000 in September, was little changed from a year earlier. Discouraged workers, a subset of the marginally attached, were not currently looking for work specifically because they believed no jobs were available for them. The other 1.1 million persons marginally attached to the labor force had not searched for work for reasons such as school attendance or family responsibilities. (See table A-13.)

Industry Payroll Employment (Establishment Survey Data)

Total nonfarm payroll employment was little changed in September (-35,000), seasonally adjusted. This followed job gains of 277,000 in July and 211,000 in August (as revised). Hurricane Katrina caused job losses in September among many industries in the affected areas. At the national level, these storm-related losses may have been offset or exacerbated in some industries by developments in the rest of the country. (State and metropolitan area payroll data, including information by industry, will be released by BLS on October 21.) (See table B-1.)

Retail trade lost 88,000 jobs in September, with declines spread across several component industries. Over the prior 12 months, employment in retail trade had increased by 18,000 per month on average. In September, there were job losses in clothing and accessories stores (-28,000), sporting goods stores (-17,000), and building material and garden supply stores (-9,000). Over the month, food and beverage stores lost 30,000 jobs, much of which was due to store closings unrelated to the hurricane.

Employment in the leisure and hospitality industry fell by 80,000 in September, partly due to the hurricane. Employment in food services, which includes restaurants and drinking places, decreased by 54,000 over the month, after averaging monthly gains of 23,000 jobs during the 12 months ending in August. Amusements, gambling, and recreation lost 19,000 jobs in September.

In September, manufacturing employment was down by 27,000 and has declined by 118,000 over the year. The September job decline was concentrated in transportation equipment, reflecting a strike of 18,000 workers in the aerospace industry. Employment declines in electrical equipment and appliances (-4,000) and paper and paper products (-3,000) were offset by a gain in machinery manufacturing (7,000).

Employment in transit and ground passenger transportation declined by 8,000 in September. Air transportation lost 6,000 jobs over the month; about half of the job loss was due to strike activity in the industry. Truck transportation employment was flat in September and has shown little change since June.

Professional and business services employment rose by 52,000 in September. More than half of the employment increase was in temporary help services (32,000), where hurricane recovery efforts may have boosted hiring. Employment in architectural and engineering services rose by 8,000 over the month. These increases were partly offset by a decline in legal services (-7,000).

Health care employment continued to grow in September, rising by 37,000. Ambulatory health care services, which include doctors' offices and outpatient clinics, added 16,000 jobs. Hospitals and nursing and residential care facilities also contributed to the employment gain.

Construction employment rose by 23,000 in September, about in line with the industry's average monthly gain over the past year. Job gains in September were concentrated largely among residential specialty trade contractors. Mining employment continued to trend upward, adding 5,000 jobs over the month. Support activities for mining operations accounted for much of the increase.

Weekly Hours (Establishment Survey Data)

The average workweek for production or nonsupervisory workers on private nonfarm payrolls was unchanged at 33.7 hours in September, seasonally adjusted. The manufacturing workweek remained at 40.5 hours, and factory overtime was down by 0.1 hour to 4.4 hours. (See table B-2.)

The index of aggregate weekly hours of production or nonsupervisory workers on private nonfarm payrolls declined by 0.2 percent in September to 102.8 (2002=100). The manufacturing index was down by 0.1 percent over the month to 93.6. (See table B-5.)

Hourly and Weekly Earnings (Establishment Survey Data)

Average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls rose by 3 cents in September to \$16.18, seasonally adjusted. Average weekly earnings increased by 0.2 percent over the month to \$545.27. Over the year, average hourly earnings increased by 2.6 percent, and average weekly earnings grew by 2.3 percent. (See table B-3.)

The Employment Situation for October 2005 is scheduled to be released on Friday, November 4, at 8:30 A.M. (EST).

Benchmark Revisions of the Payroll Survey

In accordance with usual practice, the Bureau of Labor Statistics has completed preliminary tabulations of the universe counts for the first quarter of this year. The tabulations indicate that the estimate of total nonfarm payroll employment will require a downward revision of 191,000, or one-tenth of one percent, for the March 2005 reference month. The historical average for benchmark revisions over the last 10 years has been plus or minus two-tenths of one percent. BLS will publish data revised to the March 2005 benchmark on February 3, 2006, with the release of data for January 2006.

Explanatory Note

This news release presents statistics from two major surveys, the Current Population Survey (household survey) and the Current Employment Statistics survey (establishment survey). The household survey provides the information on the labor force, employment, and unemployment that appears in the A tables, marked HOUSEHOLD DATA. It is a sample survey of about 60,000 households conducted by the U.S. Census Bureau for the Bureau of Labor Statistics (BLS).

The establishment survey provides the information on the employment, hours, and earnings of workers on nonfarm payrolls that appears in the B tables, marked ESTABLISHMENT DATA. This information is collected from payroll records by BLS in cooperation with state agencies. The sample includes about 160,000 businesses and government agencies covering approximately 400,000 individual worksites. The active sample includes about one-third of all nonfarm payroll workers. The sample is drawn from a sampling frame of unemployment insurance tax accounts.

For both surveys, the data for a given month relate to a particular week or pay period. In the household survey, the reference week is generally the calendar week that contains the 12th day of the month. In the establishment survey, the reference period is the pay period including the 12th, which may or may not correspond directly to the calendar week.

Coverage, definitions, and differences between surveys

Household survey. The sample is selected to reflect the entire civilian noninstitutional population. Based on responses to a series of questions on work and job search activities, each person 16 years and over in a sample household is classified as employed, unemployed, or not in the labor force.

People are classified as *employed* if they did any work at all as paid employees during the reference week; worked in their own business, profession, or on their own farm; or worked without pay at least 15 hours in a family business or farm. People are also counted as employed if they were temporarily absent from their jobs because of illness, bad weather, vacation, labor-management disputes, or personal reasons.

People are classified as *unemployed* if they meet all of the following criteria: They had no employment during the reference week; they were available for work at that time; and they made specific efforts to find employment sometime during the 4-week period ending with the reference week. Persons laid off from a job and expecting recall need not be looking for work to be counted as unemployed. The unemployment data derived from the household survey in no way depend upon the eligibility for or receipt of unemployment insurance benefits.

The *civilian labor force* is the sum of employed and unemployed persons. Those not classified as employed or unemployed are *not in the labor force*. The *unemployment rate* is the number unemployed as a percent of the labor force. The *labor force participation rate* is the labor force as a percent of the population, and the *employment-population ratio* is the employed as a percent of the population.

Establishment survey. The sample establishments are drawn from private nonfarm businesses such as factories, offices, and stores, as well as federal, state, and local government entities. *Employees on nonfarm payrolls* are those who received pay for any part of the reference pay period, including persons on paid leave. Persons are counted in each job they hold. *Hours and earnings* data are for private businesses and relate only to production workers in the goods-producing sector and nonsupervisory workers in the service-providing sector. Industries are classified on the basis of their principal activity in accordance with the 2002 version of the North American Industry Classification System.

Differences in employment estimates. The numerous conceptual and methodological differences between the household and establishment surveys result in important distinctions in the employment estimates derived from the surveys. Among these are:

- The household survey includes agricultural workers, the self-employed, unpaid family workers, and private household workers among the employed. These groups are excluded from the establishment survey.
- The household survey includes people on unpaid leave among the employed. The establishment survey does not.
- The household survey is limited to workers 16 years of age and older. The establishment survey is not limited by age.
- The household survey has no duplication of individuals, because individuals are counted only once, even if they hold more than one job. In the establishment survey, employees working at more than one job and thus appearing on more than one payroll would be counted separately for each appearance.

Seasonal adjustment

Over the course of a year, the size of the nation's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. The effect of such seasonal variation can be very large; seasonal fluctuations may account for as much as 95 percent of the month-to-month changes in unemployment.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. These adjustments make nonseasonal developments, such as declines in economic activity or increases in the participation of women in the labor force, easier to spot. For example, the large number of youth entering the labor force each June is likely to obscure any other changes that have taken place relative to May, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable change. Insofar as the seasonal adjustment is made correctly, the adjusted figure provides a more useful tool with which to analyze changes in economic activity.

Most seasonally adjusted series are independently adjusted in both the household and establishment surveys. However, the ad-

justed series for many major estimates, such as total payroll employment, employment in most supersectors, total employment, and unemployment are computed by aggregating independently adjusted component series. For example, total unemployment is derived by summing the adjusted series for four major age-sex components; this differs from the unemployment estimate that would be obtained by directly adjusting the total or by combining the duration, reasons, or more detailed age categories.

For both the household and establishment surveys, a concurrent seasonal adjustment methodology is used in which new seasonal factors are calculated each month, using all relevant data, up to and including the data for the current month. In the household survey, new seasonal factors are used to adjust only the current month's data. In the establishment survey, however, new seasonal factors are used each month to adjust the three most recent monthly estimates. In both surveys, revisions to historical data are made once a year.

Reliability of the estimates

Statistics based on the household and establishment surveys are subject to both sampling and nonsampling error. When a sample rather than the entire population is surveyed, there is a chance that the sample estimates may differ from the "true" population values they represent. The exact difference, or *sampling error*, varies depending on the particular sample selected, and this variability is measured by the standard error of the estimate. There is about a 90-percent chance, or level of confidence, that an estimate based on a sample will differ by no more than 1.6 standard errors from the "true" population value because of sampling error. BLS analyses are generally conducted at the 90-percent level of confidence.

For example, the confidence interval for the monthly change in total employment from the household survey is on the order of plus or minus 430,000. Suppose the estimate of total employment increases by 100,000 from one month to the next. The 90-percent confidence interval on the monthly change would range from -330,000 to 530,000 (100,000 +/- 430,000). These figures do not mean that the sample results are off by these magnitudes, but rather that there is about a 90-percent chance that the "true" over-the-month change lies within this interval. Since this range includes values of less than zero, we could not say with confidence that employment had, in fact, increased. If, however, the reported employment rise was half a million, then all of the values within the 90-percent confidence interval would be greater than zero. In this case, it is likely (at least a 90-percent chance) that an employment rise had, in fact, occurred. At an unemployment rate of around 5.5 percent, the 90-percent confidence interval for the monthly change in unemployment is about +/- 280,000, and for the monthly change in the unemployment rate it is about +/- .19 percentage point.

In general, estimates involving many individuals or establishments have lower standard errors (relative to the size of the estimate) than estimates which are based on a small number of observations. The precision of estimates is also improved when the data are cumulated over time such as for quarterly and annual averages. The seasonal adjustment process can also improve the stability of the monthly estimates.

The household and establishment surveys are also affected by *nonsampling error*. Nonsampling errors can occur for many reasons, including the failure to sample a segment of the population, inability to obtain information for all respondents in the sample, inability or unwillingness of respondents to provide correct information on a timely basis, mistakes made by respondents, and errors made in the collection or processing of the data.

For example, in the establishment survey, estimates for the most recent 2 months are based on incomplete returns; for this reason, these estimates are labeled preliminary in the tables. It is only after two successive revisions to a monthly estimate, when nearly all sample reports have been received, that the estimate is considered final.

Another major source of nonsampling error in the establishment survey is the inability to capture, on a timely basis, employment generated by new firms. To correct for this systematic underestimation of employment growth, an estimation procedure with two components is used to account for business births. The first component uses business deaths to impute employment for business births. This is incorporated into the sample-based link relative estimate procedure by simply not reflecting sample units going out of business, but imputing to them the same trend as the other firms in the sample. The second component is an ARIMA time series model designed to estimate the residual net birth/death employment not accounted for by the imputation. The historical time series used to create and test the ARIMA model was derived from the unemployment insurance universe micro-level database, and reflects the actual residual net of births and deaths over the past five years.

The sample-based estimates from the establishment survey are adjusted once a year (on a lagged basis) to universe counts of payroll employment obtained from administrative records of the unemployment insurance program. The difference between the March sample-based employment estimates and the March universe counts is known as a benchmark revision, and serves as a rough proxy for total survey error. The new benchmarks also incorporate changes in the classification of industries. Over the past decade, the benchmark revision for total nonfarm employment has averaged 0.2 percent, ranging from less than 0.05 percent to 0.5 percent.

Additional statistics and other information

More comprehensive statistics are contained in *Employment and Earnings*, published each month by BLS. It is available for \$27.00 per issue or \$53.00 per year from the U.S. Government Printing Office, Washington, DC 20402. All orders must be prepaid by sending a check or money order payable to the Superintendent of Documents, or by charging to Mastercard or Visa.

Employment and Earnings also provides measures of sampling error for the household and establishment survey data published in this release. For unemployment and other labor force categories, these measures appear in tables 1-B through 1-D of its "Explanatory Notes." For the establishment survey data, the sampling error measures and the actual size of revisions due to benchmark adjustments appear in tables 2-B through 2-F of *Employment and Earnings*.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone: 1-800-877-8339.

HOUSEHOLD DATA

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Table A-1. Employment status of the civilian population by sex and age

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted ¹					
	Sept. 2004	Aug. 2005	Sept. 2005	Sept. 2004	May 2005	June 2005	July 2005	Aug. 2005	Sept. 2005
TOTAL									
Civilian noninstitutional population	223,941	226,421	226,693	223,941	225,670	225,911	226,153	226,421	226,693
Civilian labor force	147,196	150,469	149,838	147,531	149,122	149,123	149,573	149,841	150,093
Participation rate	65.7	66.5	66.1	66.0	66.1	66.0	66.1	66.2	66.2
Employed	139,641	143,142	142,378	139,527	141,475	141,638	142,076	142,449	142,432
Employment-population ratio	62.4	63.2	62.9	62.3	62.7	62.7	62.8	62.9	62.8
Unemployed	7,545	7,327	7,258	8,005	7,647	7,466	7,497	7,391	7,661
Unemployment rate	5.1	4.9	4.9	5.4	5.1	5.0	5.0	4.9	5.1
Not in labor force	76,755	75,952	76,855	76,410	76,547	76,787	76,580	76,581	76,600
Persons who currently want a job	4,720	5,017	4,757	4,903	4,728	5,240	5,015	4,823	4,937
Men, 16 years and over									
Civilian noninstitutional population	108,020	109,332	109,475	108,020	108,934	109,062	109,190	109,332	109,475
Civilian labor force	78,844	81,079	80,130	79,041	80,048	80,063	80,199	80,406	80,327
Participation rate	73.0	74.2	73.2	73.2	73.5	73.4	73.4	73.5	73.4
Employed	74,864	77,386	76,446	74,629	75,985	76,092	76,272	76,449	76,236
Employment-population ratio	69.3	70.8	69.8	69.1	69.8	69.8	69.9	69.9	69.6
Unemployed	3,980	3,694	3,684	4,413	4,063	3,971	3,927	3,960	4,092
Unemployment rate	5.0	4.6	4.6	5.6	5.1	5.0	4.9	4.9	5.1
Not in labor force	29,176	28,252	29,345	28,979	28,886	28,998	28,991	28,923	29,148
Men, 20 years and over									
Civilian noninstitutional population	99,776	101,004	101,136	99,776	100,634	100,754	100,874	101,004	101,136
Civilian labor force	75,426	77,119	76,769	75,462	76,439	76,462	76,624	76,831	76,790
Participation rate	75.6	76.4	75.9	75.6	76.0	75.9	76.0	76.1	75.9
Employed	72,044	74,061	73,537	71,701	73,100	73,174	73,363	73,527	73,318
Employment-population ratio	72.2	73.3	72.8	71.9	72.6	72.6	72.7	72.8	72.5
Unemployed	3,382	3,058	3,132	3,761	3,339	3,288	3,261	3,304	3,471
Unemployment rate	4.5	4.0	4.1	5.0	4.4	4.3	4.3	4.3	4.5
Not in labor force	24,349	23,885	24,367	24,314	24,195	24,292	24,250	24,173	24,346
Women, 16 years and over									
Civilian noninstitutional population	115,921	117,089	117,219	115,921	116,736	116,849	116,963	117,089	117,218
Civilian labor force	68,342	69,390	69,708	68,490	69,075	69,060	69,374	69,431	69,765
Participation rate	59.0	59.3	59.5	59.1	59.2	59.1	59.3	59.3	59.5
Employed	64,777	65,796	66,133	64,696	65,490	65,645	65,804	66,000	66,196
Employment-population ratio	55.9	56.2	56.4	56.0	56.1	56.1	56.3	56.4	56.5
Unemployed	3,565	3,634	3,575	3,592	3,585	3,515	3,570	3,431	3,569
Unemployment rate	5.2	5.2	5.1	5.2	5.2	5.1	5.1	4.9	5.1
Not in labor force	47,579	47,700	47,509	47,431	47,661	47,789	47,589	47,658	47,453
Women, 20 years and over									
Civilian noninstitutional population	107,920	108,996	109,114	107,920	108,672	108,776	108,880	108,996	109,114
Civilian labor force	65,032	65,384	66,247	65,009	65,479	65,470	65,768	65,761	66,130
Participation rate	60.3	60.0	60.7	60.2	60.3	60.2	60.4	60.3	60.6
Employed	61,952	62,306	63,153	61,939	62,464	62,451	62,690	62,867	63,077
Employment-population ratio	57.4	57.2	57.9	57.4	57.5	57.4	57.6	57.7	57.8
Unemployed	3,081	3,078	3,095	3,069	3,015	3,019	3,078	2,894	3,053
Unemployment rate	4.7	4.7	4.7	4.7	4.6	4.6	4.7	4.4	4.6
Not in labor force	42,887	43,612	42,866	42,912	43,192	43,306	43,113	43,236	42,983
Both sexes, 16 to 19 years									
Civilian noninstitutional population	16,246	16,421	16,443	16,246	16,364	16,381	16,399	16,421	16,443
Civilian labor force	9,727	7,966	6,822	7,052	7,204	7,192	7,182	7,249	7,173
Participation rate	41.4	48.5	41.5	43.5	44.0	43.9	43.8	44.1	43.6
Employed	5,645	6,775	5,789	5,887	5,911	6,013	6,024	6,055	6,096
Employment-population ratio	34.7	41.3	35.2	36.2	36.1	36.7	36.7	36.9	36.7
Unemployed	1,082	1,191	1,033	1,175	1,293	1,179	1,158	1,193	1,136
Unemployment rate	16.1	15.0	15.1	16.6	17.9	16.4	16.1	16.5	15.9
Not in labor force	6,519	8,455	9,621	9,194	9,160	9,190	9,217	9,172	9,271

¹ The population figures are not adjusted for seasonal variation, therefore, identical numbers appear in the unadjusted and seasonally adjusted columns
NOTE: Beginning in January 2005, data reflect revised population controls used in the household survey.

HOUSEHOLD DATA

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Table A-2. Employment status of the civilian population by race, sex, and age
(Numbers in thousands)

Employment status, race, sex, and age	Not seasonally adjusted			Seasonally adjusted ¹					
	Sept 2004	Aug 2005	Sept 2005	Sept 2004	May 2005	June 2005	July 2005	Aug 2005	Sept 2005
WHITE									
Civilian noninstitutional population	183,022	184,669	184,851	183,022	184,167	184,328	184,490	184,669	184,851
Civilian labor force	120,782	123,166	122,814	120,995	122,177	121,985	122,383	122,668	122,817
Participation rate	66.0	66.7	66.3	66.1	66.3	66.2	66.3	66.4	66.4
Employed	115,451	118,021	117,420	115,318	116,791	116,778	117,149	117,471	117,317
Employment-population ratio	63.1	63.9	63.5	63.0	63.4	63.4	63.5	63.6	63.5
Unemployed	5,331	5,144	5,194	5,677	5,386	5,206	5,234	5,197	5,500
Unemployment rate	4.4	4.2	4.2	4.7	4.4	4.3	4.3	4.2	4.5
Not in labor force	62,240	61,503	62,237	62,027	61,989	62,343	62,107	62,001	62,034
Men, 20 years and over									
Civilian labor force	62,919	64,133	63,941	62,859	63,747	63,691	63,700	63,894	63,824
Participation rate	70.0	70.6	70.2	70.0	70.4	70.3	70.2	70.4	70.2
Employed	60,528	61,946	61,567	60,149	61,336	61,371	61,353	61,510	61,248
Employment-population ratio	73.1	74.0	73.5	72.6	73.5	73.5	73.4	73.5	73.1
Unemployed	2,390	2,187	2,274	2,710	2,410	2,320	2,346	2,384	2,576
Unemployment rate	3.8	3.4	3.6	4.3	3.8	3.6	3.7	3.7	4.0
Women, 20 years and over									
Civilian labor force	52,246	52,408	53,021	52,243	52,455	52,325	52,757	52,762	52,973
Participation rate	59.6	59.4	60.0	59.6	59.6	59.4	59.8	59.8	59.9
Employed	50,114	50,263	50,841	50,141	50,399	50,284	50,674	50,781	50,850
Employment-population ratio	57.2	56.9	57.5	57.2	57.2	57.0	57.4	57.5	57.5
Unemployed	2,132	2,145	2,180	2,102	2,056	2,041	2,083	1,981	2,123
Unemployment rate	4.1	4.1	4.1	4.0	3.9	3.9	3.9	3.8	4.0
Both sexes, 16 to 19 years									
Civilian labor force	5,618	6,624	5,751	5,893	5,976	5,968	5,926	6,012	6,020
Participation rate	44.6	62.2	45.2	46.7	47.2	47.1	46.7	47.3	47.3
Employed	4,609	5,812	5,012	5,028	5,056	5,123	5,121	5,181	5,219
Employment-population ratio	38.1	45.6	39.4	39.9	39.9	40.4	40.4	40.9	41.0
Unemployed	809	812	739	865	920	845	805	832	801
Unemployment rate	14.4	12.3	12.9	14.7	15.4	14.2	13.6	13.8	13.3
BLACK OR AFRICAN AMERICAN									
Civilian noninstitutional population	26,163	26,572	26,618	26,163	26,450	26,488	26,526	26,572	26,618
Civilian labor force	16,705	17,252	17,113	16,711	17,050	17,147	17,190	17,154	17,087
Participation rate	63.9	64.9	64.3	63.9	64.5	64.7	64.9	64.6	64.2
Employed	15,057	15,573	15,574	14,981	15,329	15,378	15,561	15,499	15,480
Employment-population ratio	57.5	58.6	58.5	57.3	58.0	58.1	58.7	58.3	58.2
Unemployed	1,648	1,679	1,539	1,730	1,721	1,769	1,629	1,655	1,607
Unemployment rate	9.9	9.7	9.0	10.4	10.1	10.3	9.5	9.6	9.4
Not in labor force	9,457	9,319	9,504	9,452	9,400	9,341	9,336	9,417	9,531
Men, 20 years and over									
Civilian labor force	7,466	7,761	7,712	7,470	7,615	7,706	7,765	7,739	7,680
Participation rate	71.1	72.6	72.1	71.1	71.6	72.4	72.8	72.4	71.8
Employed	6,756	7,129	7,083	6,707	6,914	6,983	7,116	7,077	7,017
Employment-population ratio	64.3	66.7	66.2	63.8	65.0	65.4	66.7	66.2	65.6
Unemployed	710	631	629	763	700	743	650	662	664
Unemployment rate	9.5	8.1	8.2	10.2	9.2	9.6	8.4	8.6	8.6
Women, 20 years and over									
Civilian labor force	8,537	8,614	8,712	8,504	8,589	8,626	8,609	8,604	8,674
Participation rate	64.5	64.3	64.9	64.3	64.8	64.5	64.3	64.2	64.6
Employed	7,795	7,885	8,026	7,747	7,871	7,863	7,900	7,902	7,970
Employment-population ratio	58.9	59.6	59.8	58.6	59.0	58.8	59.0	59.0	59.4
Unemployed	742	729	686	757	718	762	709	702	704
Unemployment rate	8.7	8.5	7.9	8.9	8.4	8.8	8.2	8.2	8.1
Both sexes, 16 to 19 years									
Civilian labor force	702	878	689	737	846	815	816	810	732
Participation rate	28.9	35.3	27.6	30.3	34.3	32.9	32.9	32.6	28.4
Employed	505	559	465	526	543	551	545	521	493
Employment-population ratio	20.8	22.5	18.6	21.6	22.0	22.3	22.0	20.9	19.8
Unemployed	197	319	224	211	303	264	270	290	239
Unemployment rate	28.1	36.3	32.5	28.6	35.8	32.4	33.1	35.8	32.6
ASIAN									
Civilian noninstitutional population	9,563	9,900	9,956	(2)	(2)	(2)	(2)	(2)	(2)
Civilian labor force	6,276	6,538	6,553	(2)	(2)	(2)	(2)	(2)	(2)
Participation rate	65.6	66.0	65.8	(2)	(2)	(2)	(2)	(2)	(2)
Employed	6,006	6,300	6,284	(2)	(2)	(2)	(2)	(2)	(2)
Employment-population ratio	62.8	63.6	63.1	(2)	(2)	(2)	(2)	(2)	(2)
Unemployed	270	238	270	(2)	(2)	(2)	(2)	(2)	(2)
Unemployment rate	4.3	3.6	4.1	(2)	(2)	(2)	(2)	(2)	(2)
Not in labor force	3,287	3,362	3,403	(2)	(2)	(2)	(2)	(2)	(2)

¹ The population figures are not adjusted for seasonal variation; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.
² Data not available.

NOTE: Estimates for the above race groups will not sum to totals shown in table A-1 because data are not presented for all races. Beginning in January 2005, data reflect revised population controls used in the household survey.

HOUSEHOLD DATA

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Table A-3. Employment status of the Hispanic or Latino population by sex and age

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted ¹					
	Sept. 2004	Aug. 2005	Sept. 2005	Sept. 2004	May 2005	June 2005	July 2005	Aug. 2005	Sept. 2005
HISPANIC OR LATINO ETHNICITY									
Civilian noninstitutional population	28,338	29,264	29,361	28,338	28,989	29,079	29,168	29,264	29,361
Civilian labor force	19,420	19,986	19,915	19,444	19,761	19,777	19,794	19,914	19,941
Participation rate	68.5	68.3	67.8	68.6	68.2	68.0	67.9	68.0	67.9
Employed	15,143	15,840	15,686	15,079	15,578	15,623	15,598	15,751	15,644
Employment-population ratio	54.0	54.4	53.6	53.8	54.1	54.0	54.1	54.1	53.5
Unemployed	1,276	1,146	1,227	1,366	1,183	1,154	1,096	1,163	1,297
Unemployment rate	6.6	5.7	6.2	7.0	6.0	5.8	5.5	5.8	6.5
Not in labor force	8,918	9,278	9,446	8,894	9,228	9,302	9,374	9,350	9,420
Men, 20 years and over									
Civilian labor force	11,091	11,463	11,480	(2)	(2)	(2)	(2)	(2)	(2)
Participation rate	84.0	84.0	83.8	(2)	(2)	(2)	(2)	(2)	(2)
Employed	10,550	10,991	10,925	(2)	(2)	(2)	(2)	(2)	(2)
Employment-population ratio	79.9	80.5	79.8	(2)	(2)	(2)	(2)	(2)	(2)
Unemployed	541	472	555	(2)	(2)	(2)	(2)	(2)	(2)
Unemployment rate	4.9	4.1	4.8	(2)	(2)	(2)	(2)	(2)	(2)
Women, 20 years and over									
Civilian labor force	7,343	7,378	7,372	(2)	(2)	(2)	(2)	(2)	(2)
Participation rate	58.7	57.1	56.9	(2)	(2)	(2)	(2)	(2)	(2)
Employed	6,787	6,900	6,881	(2)	(2)	(2)	(2)	(2)	(2)
Employment-population ratio	54.2	53.4	53.1	(2)	(2)	(2)	(2)	(2)	(2)
Unemployed	556	478	491	(2)	(2)	(2)	(2)	(2)	(2)
Unemployment rate	7.6	6.5	6.7	(2)	(2)	(2)	(2)	(2)	(2)
Both sexes, 16 to 19 years									
Civilian labor force	986	1,146	1,062	(2)	(2)	(2)	(2)	(2)	(2)
Participation rate	37.6	42.4	39.2	(2)	(2)	(2)	(2)	(2)	(2)
Employed	606	949	881	(2)	(2)	(2)	(2)	(2)	(2)
Employment-population ratio	30.7	35.1	32.5	(2)	(2)	(2)	(2)	(2)	(2)
Unemployed	179	197	181	(2)	(2)	(2)	(2)	(2)	(2)
Unemployment rate	19.2	17.2	17.0	(2)	(2)	(2)	(2)	(2)	(2)

¹ The population figures are not adjusted for seasonal variation; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns. ² Data not available. NOTE: Persons whose ethnicity is identified as Hispanic or Latino may be of any race. Beginning in January 2005, data reflect revised population controls used in the household survey.

Table A-4. Employment status of the civilian population 25 years and over by educational attainment

(Numbers in thousands)

Educational attainment	Not seasonally adjusted			Seasonally adjusted					
	Sept. 2004	Aug. 2005	Sept. 2005	Sept. 2004	May 2005	June 2005	July 2005	Aug. 2005	Sept. 2005
Less than a high school diploma									
Civilian labor force	12,815	12,818	12,863	12,742	12,798	12,903	13,156	12,883	12,770
Participation rate	45.6	45.9	45.7	45.3	45.3	45.6	47.5	46.1	45.3
Employed	11,790	11,921	11,891	11,608	11,802	12,006	12,154	11,903	11,728
Employment-population ratio	42.0	42.7	42.2	41.3	41.8	42.5	43.8	42.6	41.6
Unemployed	1,025	897	972	1,133	996	898	1,002	980	1,042
Unemployment rate	8.0	7.0	7.6	8.9	7.8	7.0	7.6	7.6	8.2
High school graduates, no college ¹									
Civilian labor force	37,781	38,084	38,362	37,700	38,233	38,080	37,959	38,104	38,325
Participation rate	63.5	63.4	63.9	63.2	63.2	63.2	63.6	63.4	63.9
Employed	30,170	30,370	30,837	30,694	30,814	30,307	30,120	30,327	30,399
Employment-population ratio	60.6	60.5	61.0	60.2	60.4	60.2	60.5	60.5	60.6
Unemployed	1,611	1,705	1,725	1,606	1,719	1,773	1,839	1,777	1,926
Unemployment rate	4.3	4.5	4.5	4.8	4.5	4.7	4.8	4.7	5.0
Some college or associate degree									
Civilian labor force	34,453	35,136	35,154	34,431	34,699	34,635	34,851	35,008	35,126
Participation rate	72.2	72.3	72.4	72.2	73.1	72.3	71.2	72.0	72.3
Employed	33,099	33,896	33,933	33,037	33,351	33,283	33,547	33,754	33,859
Employment-population ratio	69.4	69.7	69.9	69.3	70.3	69.5	69.5	69.4	69.7
Unemployed	1,354	1,240	1,221	1,394	1,348	1,351	1,304	1,254	1,267
Unemployment rate	3.9	3.5	3.5	4.0	3.9	3.9	3.7	3.6	3.6
Bachelor's degree and higher ²									
Civilian labor force	40,485	41,099	41,617	40,471	40,913	40,945	41,297	41,431	41,569
Participation rate	77.8	77.5	78.2	77.8	77.4	77.5	77.8	78.1	78.1
Employed	39,424	40,132	40,615	39,438	39,916	40,007	40,302	40,579	40,592
Employment-population ratio	75.8	75.6	76.3	75.9	75.5	75.7	75.9	76.5	76.3
Unemployed	1,061	966	1,002	1,033	997	938	995	852	978
Unemployment rate	2.6	2.4	2.4	2.6	2.4	2.3	2.4	2.1	2.4

¹ Includes persons with a high school diploma or equivalent. ² Includes persons with bachelor's, master's, professional, and doctoral degrees. NOTE: Beginning in January 2005, data reflect revised population controls used in the household survey.

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Table A-5. Employed persons by class of worker and part-time status
(In thousands)

Category	Not seasonally adjusted			Seasonally adjusted					
	Sept. 2004	Aug. 2005	Sept. 2005	Sept. 2004	May 2005	June 2005	July 2005	Aug. 2005	Sept. 2005
CLASS OF WORKER									
Agriculture and related industries	2,374	2,388	2,284	2,221	2,220	2,338	2,334	2,178	2,142
Wage and salary workers	1,373	1,388	1,280	1,213	1,229	1,312	1,311	1,216	1,117
Self-employed workers	966	967	986	970	958	1,004	987	926	981
Unpaid family workers	34	31	38	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Nonagricultural industries	137,267	140,756	140,296	137,460	139,294	139,237	139,668	140,345	140,461
Wage and salary workers	127,562	131,246	130,755	127,829	129,494	129,707	130,056	131,021	130,994
Government	20,211	19,995	20,284	20,166	20,779	20,464	20,492	20,469	20,251
Private industries	107,351	111,250	110,471	107,692	108,697	109,203	109,551	110,605	110,728
Private households	787	950	861	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Other industries	106,564	110,300	109,610	106,910	107,908	108,399	108,834	109,705	108,867
Self-employed workers	9,616	9,400	9,453	9,481	9,768	9,465	9,514	9,269	9,355
Unpaid family workers	90	110	88	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
PERSONS AT WORK PART TIME ²									
All industries:									
Part time for economic reasons	4,073	4,402	4,230	4,475	4,361	4,465	4,497	4,403	4,591
Stack work or business conditions	2,552	2,608	2,865	2,805	2,741	2,668	2,723	2,768	2,882
Could only find part-time work	1,280	1,355	1,316	1,312	1,346	1,420	1,368	1,426	1,383
Part time for noneconomic reasons	19,624	17,471	19,812	19,410	19,435	19,021	19,528	19,516	19,579
Nonagricultural industries:									
Part time for economic reasons	4,024	4,332	4,188	4,400	4,280	4,386	4,369	4,457	4,522
Stack work or business conditions	2,511	2,567	2,836	2,750	2,705	2,616	2,673	2,747	2,832
Could only find part-time work	1,277	1,344	1,312	1,320	1,331	1,416	1,369	1,420	1,366
Part time for noneconomic reasons	19,245	17,114	19,414	19,061	19,160	18,633	19,084	19,141	19,188

¹ Data not available.

² Persons at work excludes employed persons who were absent from their jobs during the entire reference week for reasons such as vacation, illness, or industrial dispute. Part time for noneconomic reasons excludes persons who usually work full time but worked only 1 to 34 hours during the reference week for reasons such as holidays, illness, and

bad weather.

NOTE: Detail for the seasonally adjusted data shown in this table will not necessarily add to totals because of the independent seasonal adjustment of the various series. Beginning in January 2005, data reflect revised population controls used in the household survey.

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Table A-6. Selected employment indicators

(In thousands)

Characteristic	Not seasonally adjusted			Seasonally adjusted					
	Sept 2004	Aug 2005	Sept 2005	Sept 2004	May 2005	June 2005	July 2005	Aug 2005	Sept 2005
	Total, 16 years and over	139,641	143,142	142,579	139,527	141,475	141,638	142,076	142,449
16 to 19 years	5,645	6,775	5,789	5,887	5,911	6,013	6,024	6,065	6,036
16 to 17 years	2,138	2,622	2,253	2,149	2,249	2,296	2,241	2,292	2,285
18 to 19 years	3,507	4,153	3,536	3,738	3,662	3,717	3,783	3,769	3,752
20 years and over	133,996	136,367	136,790	133,640	135,564	135,625	136,052	136,384	136,396
20 to 24 years	13,513	14,039	13,714	13,641	13,725	13,829	13,904	13,775	13,842
25 years and over	120,483	122,328	123,076	119,999	121,757	121,796	122,148	122,609	122,554
25 to 34 years	98,041	98,805	99,229	97,667	98,455	98,274	98,530	98,958	98,917
35 to 44 years	30,886	30,692	30,854	30,508	30,660	30,482	30,606	30,709	30,671
45 to 54 years	34,026	34,618	34,949	34,556	34,650	34,629	34,707	34,701	34,822
55 years and over	32,730	33,495	33,426	32,864	33,195	33,163	33,219	33,548	33,324
Men, 16 years and over	74,864	77,386	76,446	74,629	75,985	76,092	76,272	76,449	76,236
16 to 19 years	2,820	3,325	2,809	2,927	2,885	2,919	2,910	2,923	2,918
16 to 17 years	1,037	1,247	1,036	1,040	1,068	1,066	1,014	1,064	1,048
18 to 19 years	1,783	2,077	1,773	1,874	1,813	1,851	1,895	1,862	1,863
20 years and over	72,044	74,061	73,637	71,701	73,100	73,174	73,363	73,527	73,318
20 to 24 years	7,124	7,483	7,196	7,151	7,273	7,367	7,414	7,303	7,246
25 years and over	64,920	66,578	66,441	64,547	65,731	65,807	65,920	66,224	66,043
25 to 34 years	52,917	53,823	53,676	52,553	53,161	53,124	53,198	53,530	53,329
35 to 44 years	17,057	17,266	17,164	16,917	16,972	16,921	16,988	17,119	17,025
45 to 54 years	18,760	18,858	18,953	18,639	18,759	18,803	18,825	18,784	18,816
55 years and over	17,100	17,699	17,560	16,968	17,431	17,400	17,385	17,627	17,489
Women, 16 years and over	64,777	65,756	66,133	64,898	65,490	65,545	65,804	66,000	66,196
16 to 19 years	2,825	3,450	2,980	2,959	3,026	3,095	3,114	3,133	3,119
16 to 17 years	1,101	1,375	1,217	1,109	1,181	1,240	1,227	1,227	1,236
18 to 19 years	1,724	2,075	1,763	1,856	1,849	1,860	1,873	1,908	1,889
20 years and over	61,952	62,306	63,153	61,939	62,464	62,451	62,690	62,867	63,077
20 to 24 years	6,389	6,596	6,518	6,490	6,452	6,461	6,491	6,472	6,506
25 years and over	55,563	55,710	56,635	55,449	56,012	55,990	56,200	56,400	56,502
25 to 34 years	45,124	44,983	45,553	45,114	45,293	45,150	45,333	45,428	45,488
35 to 44 years	13,629	13,427	13,690	13,591	13,688	13,561	13,618	13,591	13,646
45 to 54 years	15,865	15,761	15,996	15,917	15,941	15,826	15,802	15,917	16,006
55 years and over	15,630	15,795	15,866	15,606	15,764	15,763	15,832	15,920	15,836
Married men, spouse present	45,269	45,823	45,573	45,063	45,725	45,357	45,486	45,700	45,438
Married women, spouse present	34,721	34,428	34,874	34,704	34,747	34,622	34,965	34,997	34,946
Women who maintain families	8,751	8,766	8,872	(1)	(1)	(1)	(1)	(1)	(1)
Full-time workers ²	115,245	119,615	117,781	114,831	116,848	117,200	117,332	117,637	117,375
Part-time workers ³	24,396	23,527	24,798	24,723	24,652	24,464	24,749	24,873	25,014

¹ Data not available.² Employed full-time workers are persons who usually work 35 hours or more per week.³ Employed part-time workers are persons who usually work less than 35 hours per week.

NOTE: Detail for the seasonally adjusted data shown in this table will not necessarily add to totals because of the independent seasonal adjustment of the various series. Beginning in January 2005, data reflect revised population controls used in the household survey.

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Table A-7. Selected unemployment indicators, seasonally adjusted

Characteristic	Number of unemployed persons (in thousands)			Unemployment rates ¹					
	Sept. 2004	Aug. 2005	Sept. 2005	Sept. 2004	May 2005	June 2005	July 2005	Aug. 2005	Sept. 2005
Total, 16 years and over	8,005	7,391	7,661	5.4	5.1	5.0	5.0	4.9	5.1
16 to 19 years	1,175	1,193	1,136	16.6	17.9	16.4	16.1	16.5	15.8
16 to 17 years	522	523	529	19.6	20.0	18.3	18.7	18.6	18.8
18 to 19 years	651	676	606	14.9	16.3	15.2	14.4	15.1	13.9
20 years and over	6,830	6,198	6,525	4.9	4.5	4.4	4.5	4.3	4.6
20 to 24 years	1,433	1,347	1,324	9.5	8.8	8.8	8.3	8.9	8.7
25 years and over	5,395	4,872	5,192	4.3	4.0	3.9	4.0	3.8	4.1
25 to 54 years	4,506	4,077	4,299	4.4	4.2	4.1	4.2	4.0	4.2
25 to 34 years	1,677	1,605	1,747	5.2	5.1	5.2	5.2	5.0	5.4
35 to 44 years	1,607	1,345	1,330	4.4	3.9	3.8	3.8	3.7	3.7
45 to 54 years	1,222	1,128	1,222	3.6	3.5	3.4	3.6	3.3	3.5
55 years and over	859	768	874	3.7	3.2	3.1	3.5	3.2	3.6
Men, 16 years and over	4,413	3,960	4,092	5.6	5.1	5.0	4.9	4.9	5.1
16 to 19 years	652	656	620	18.2	20.0	19.0	18.6	18.3	17.5
16 to 17 years	269	293	296	20.6	22.5	21.7	23.2	21.6	21.4
18 to 19 years	379	369	334	16.6	18.4	17.5	15.5	16.4	15.2
20 years and over	3,761	3,304	3,471	5.0	4.4	4.3	4.3	4.3	4.5
20 to 24 years	838	821	801	10.5	9.2	9.3	8.7	10.1	9.9
25 years and over	2,923	2,502	2,658	4.3	3.8	3.7	3.7	3.6	3.9
25 to 54 years	2,443	2,094	2,226	4.4	4.0	3.9	3.9	3.8	4.0
25 to 34 years	930	793	911	5.2	4.9	4.6	4.6	4.4	5.1
35 to 44 years	849	705	673	4.4	3.8	3.6	3.4	3.6	3.5
45 to 54 years	664	596	642	3.8	3.4	3.4	3.7	3.3	3.5
55 years and over	480	408	432	3.9	3.0	3.1	3.2	3.1	3.3
Women, 16 years and over	3,592	3,431	3,569	5.2	5.2	5.1	5.1	4.9	5.1
16 to 19 years	523	538	516	15.0	15.8	13.8	13.6	14.6	14.2
16 to 17 years	253	230	243	18.6	17.7	15.1	14.5	15.8	16.4
18 to 19 years	271	307	272	12.8	14.2	12.8	13.2	13.9	12.6
20 years and over	3,069	2,894	3,053	4.7	4.6	4.6	4.7	4.4	4.6
20 to 24 years	595	526	524	8.4	8.4	8.1	7.7	7.5	7.4
25 years and over	2,472	2,370	2,524	4.3	4.1	4.2	4.3	4.0	4.3
25 to 54 years	2,064	1,893	2,073	4.4	4.3	4.4	4.5	4.2	4.4
25 to 34 years	747	812	836	5.2	5.4	5.9	5.9	5.6	5.8
35 to 44 years	758	640	657	4.5	4.0	4.1	4.2	3.9	3.9
45 to 54 years	536	531	580	3.5	3.6	3.4	3.6	3.2	3.5
55 years and over ²	384	422	453	3.5	3.2	3.3	4.1	3.8	3.9
Married men, spouse present	1,386	1,348	1,296	3.0	2.7	2.6	2.6	2.9	2.8
Married women, spouse present	1,120	1,157	1,226	3.1	3.1	3.3	3.4	3.2	3.4
Women who maintain families ²	780	678	730	8.2	7.9	8.2	8.8	7.2	7.6
Full-time workers ³	6,733	6,038	6,260	5.5	5.0	4.9	4.9	4.9	5.1
Part-time workers ⁴	1,295	1,348	1,396	5.0	5.6	5.4	5.5	5.1	5.3

¹ Unemployment as a percent of the civilian labor force.

² Not seasonally adjusted.

³ Full-time workers are unemployed persons who have expressed a desire to work full time (35 hours or more per week) or are on layoff from full-time jobs.

⁴ Part-time workers are unemployed persons who have expressed a desire to work

part time (less than 35 hours per week) or are on layoff from part-time jobs.

NOTE: Detail shown in this table will not necessarily add to totals because of the independent seasonal adjustment of the various series. Beginning in January 2005, data reflect revised population controls used in the household survey.

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Table A-8. Unemployed persons by reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted			Seasonally adjusted					
	Sept 2004	Aug 2005	Sept 2005	Sept 2004	May 2005	June 2005	July 2005	Aug 2005	Sept 2005
NUMBER OF UNEMPLOYED									
Job losers and persons who completed temporary jobs	3,644	3,297	3,373	4,014	3,646	3,680	3,633	3,490	3,724
On temporary layoff	615	613	670	919	864	975	959	860	982
Not on temporary layoff	3,029	2,684	2,703	3,094	2,782	2,705	2,674	2,610	2,742
Permanent job losers	2,157	1,711	1,836	(1)	(1)	(1)	(1)	(1)	(1)
Persons who completed temporary jobs	872	773	867	(1)	(1)	(1)	(1)	(1)	(1)
Job leavers	876	911	932	830	942	944	826	839	876
Reentrants	2,373	2,441	2,378	2,417	2,353	2,219	2,394	2,451	2,422
New entrants	652	678	577	697	728	661	628	632	623
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers and persons who completed temporary jobs	48.3	45.0	46.5	50.4	47.5	49.7	48.6	47.1	48.7
On temporary layoff	8.2	11.1	9.2	11.6	11.3	13.2	12.8	11.9	12.8
Not on temporary layoff	40.1	33.9	37.2	38.9	36.3	36.5	35.7	35.2	35.9
Job leavers	11.6	12.4	12.8	10.4	12.3	11.4	11.0	11.3	11.5
Reentrants	31.4	33.3	32.8	30.4	30.7	30.0	32.0	33.1	31.7
New entrants	8.6	9.3	7.9	8.8	9.5	8.9	8.4	8.5	8.1
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE									
Job losers and persons who completed temporary jobs	2.5	2.2	2.3	2.7	2.4	2.5	2.4	2.3	2.5
Job leavers6	.6	.6	.6	.6	.6	.6	.6	.6
Reentrants	1.6	1.6	1.6	1.6	1.6	1.5	1.6	1.6	1.6
New entrants4	.5	.4	.5	.5	.4	.4	.4	.4

¹ Data not available

NOTE: Beginning in January 2005, data reflect revised population controls used in the household survey.

Table A-9. Unemployed persons by duration of unemployment

(Numbers in thousands)

Duration	Not seasonally adjusted			Seasonally adjusted					
	Sept 2004	Aug 2005	Sept 2005	Sept 2004	May 2005	June 2005	July 2005	Aug 2005	Sept 2005
NUMBER OF UNEMPLOYED									
Less than 5 weeks	2,757	2,460	2,772	2,796	2,699	2,666	2,571	2,542	2,735
5 to 14 weeks	2,056	2,420	2,079	2,251	2,262	2,342	2,430	2,272	2,285
15 weeks and over	2,732	2,448	2,408	2,911	2,867	2,350	2,437	2,596	2,611
15 to 26 weeks	1,063	1,033	982	1,227	1,133	1,041	1,047	1,243	1,131
27 weeks and over	1,669	1,415	1,426	1,744	1,534	1,310	1,389	1,444	1,480
Average (mean) duration, in weeks	19.5	18.4	18.2	19.6	18.8	17.1	17.6	18.9	18.3
Median duration, in weeks	9.5	9.2	8.4	9.5	9.1	9.1	9.0	9.4	8.6
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	36.5	33.6	38.2	34.9	35.4	36.2	34.6	33.9	35.8
5 to 14 weeks	27.3	33.0	28.6	28.1	29.7	31.8	32.7	30.3	29.9
15 weeks and over	36.2	33.4	33.2	37.1	35.0	31.9	32.8	35.8	34.2
15 to 26 weeks	14.1	14.1	13.5	15.3	14.9	14.1	14.1	15.6	14.8
27 weeks and over	22.1	19.3	19.6	21.7	20.1	17.8	18.7	19.2	19.4

NOTE: Beginning in January 2005, data reflect revised population controls used in the household survey.

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Table A-10. Employed and unemployed persons by occupation, not seasonally adjusted

(Numbers in thousands)

Occupation	Employed		Unemployed		Unemployment rates	
	Sept 2004	Sept 2005	Sept 2004	Sept 2005	Sept 2004	Sept 2005
	Total, 16 years and over ¹	139,641	142,579	7,545	7,259	5.1
Management, professional, and related occupations	48,573	49,377	1,268	1,161	2.5	2.3
Management, business, and financial operations occupations	20,464	20,588	525	449	2.5	2.1
Professional and related occupations	28,109	28,789	742	712	2.6	2.4
Service occupations	22,829	23,181	1,547	1,593	6.3	6.4
Sales and office occupations	35,520	36,018	1,909	1,723	5.1	4.6
Sales and related occupations	15,912	16,344	863	842	5.1	4.9
Office and administrative support occupations	19,606	19,675	1,046	881	5.1	4.3
Natural resources, construction, and maintenance occupations	14,727	15,902	979	971	6.2	5.8
Farming, fishing, and forestry occupations	1,088	1,041	93	118	7.8	10.2
Construction and extraction occupations	8,734	9,454	869	659	7.1	6.5
Installation, maintenance, and repair occupations	4,895	5,407	217	194	4.2	3.5
Production, transportation, and material moving occupations	17,982	18,100	1,162	1,189	6.1	6.2
Production occupations	9,424	9,273	597	692	6.0	6.9
Transportation and material moving occupations	8,569	8,828	565	498	6.2	5.3

¹ Persons with no previous work experience and persons whose last job was in the Armed Forces are included in the unemployed total.
NOTE: Beginning in January 2005, data reflect revised population controls used in the household survey.

Table A-11. Unemployed persons by industry, not seasonally adjusted

Industry	Number of unemployed persons (in thousands)		Unemployment rates	
	Sept 2004	Sept 2005	Sept 2004	Sept 2005
	Total, 16 years and over ¹	7,545	7,259	5.1
Nonagricultural private wage and salary workers	5,874	5,706	5.2	4.9
Mining	6	12	1.5	2.0
Construction	629	572	6.8	5.7
Manufacturing	852	775	5.0	4.7
Durable goods	512	439	4.8	4.2
Nondurable goods	339	337	5.4	5.5
Wholesale and retail trade	1,127	1,038	5.5	4.9
Transportation and utilities	208	211	3.9	3.7
Information	178	188	5.4	4.9
Financial activities	374	280	4.0	2.7
Professional and business services	750	862	5.9	6.7
Education and health services	593	658	3.3	3.5
Leisure and hospitality	854	842	7.5	7.3
Other services	301	307	4.9	4.9
Agriculture and related private wage and salary workers	88	127	8.4	9.5
Government workers	568	568	2.7	2.7
Self employed and unpaid family workers	392	282	3.3	2.6

¹ Persons with no previous work experience are included in the unemployed total.
NOTE: Beginning in January 2005, data reflect revised population controls used in the household survey.

HOUSEHOLD DATA

HOUSEHOLD DATA

Table A-12. Alternative measures of labor underutilization
(Percent)

Measure	Not seasonally adjusted			Seasonally adjusted					
	Sept. 2004	Aug. 2005	Sept. 2005	Sept. 2004	May 2005	June 2005	July 2005	Aug. 2005	Sept. 2005
U-1 Persons unemployed 15 weeks or longer, as a percent of the civilian labor force	1.9	1.6	1.6	2.0	1.8	1.6	1.6	1.8	1.7
U-2 Job losers and persons who completed temporary jobs, as a percent of the civilian labor force	2.5	2.2	2.3	2.7	2.4	2.5	2.4	2.3	2.5
U-3 Total unemployed, as a percent of the civilian labor force (official unemployment rate)	5.1	4.9	4.8	5.4	5.1	5.0	5.0	4.9	5.1
U-4 Total unemployed plus discouraged workers, as a percent of the civilian labor force plus discouraged workers	5.4	5.1	5.1	5.7	5.4	5.3	5.3	5.2	5.3
U-5 Total unemployed, plus discouraged workers, plus all other marginally attached workers, as a percent of the civilian labor force plus all marginally attached workers	6.1	5.9	5.7	6.4	6.0	6.0	6.0	5.9	6.0
U-6 Total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers	8.0	8.8	8.5	9.4	8.9	9.0	8.9	8.9	9.0

NOTE: Marginally attached workers are persons who currently are neither working nor looking for work but indicate that they want and are available for a job and have looked for work sometime in the recent past. Discouraged workers, a subset of the marginally attached, have given a job-market related reason for not currently looking for a job. Persons employed part time for economic reasons are those who want and are available for full-time work but

have had to settle for a part-time schedule. For further information, see "BLS introduces new range of alternative unemployment measures," in the October 1995 issue of the *Monthly Labor Review*. Beginning in January 2005, data reflect revised population controls used in the household survey.

Table A-13. Persons not in the labor force and multiple jobholders by sex, not seasonally adjusted

(Numbers in thousands)

Category	Total		Men		Women	
	Sept. 2004	Sept. 2005	Sept. 2004	Sept. 2005	Sept. 2004	Sept. 2005
NOT IN THE LABOR FORCE						
Total not in the labor force	76,755	76,855	29,176	29,345	47,579	47,509
Persons who currently want a job	4,720	4,757	2,062	2,024	2,658	2,733
Searched for work and available to work now ¹	1,561	1,438	848	704	713	734
Reason not currently looking						
Discouragement over job prospects ²	412	362	264	201	148	161
Reasons other than discouragement ³	1,148	1,076	583	504	565	573
MULTIPLE JOBHOLDERS						
Total multiple jobholders ⁴	7,672	7,705	3,979	3,828	3,692	3,777
Percent of total employed	5.5	5.4	5.3	5.1	5.7	5.7
Primary job full time, secondary job part time	4,007	4,014	2,292	2,295	1,715	1,719
Primary and secondary jobs both part time	1,618	1,725	501	532	1,117	1,193
Primary and secondary jobs both full time	290	259	153	171	97	88
Hours vary on primary or secondary job	1,713	1,660	971	913	742	747

¹ Data refer to persons who have searched for work during the prior 12 months and were available to take a job during the reference week.

² Includes those no work available, could not find work, lacks schooling or training, employer thinks too young or old, and other types of discrimination.

³ Includes those who did not actively look for work in the prior 4 weeks for such reasons as school or family responsibilities, ill health, and transportation problems, as well

as a small number for which reason for nonparticipation was not determined.

⁴ Includes persons who work part time on their primary job and full time on their secondary job(s), not shown separately.

NOTE: Beginning in January 2005, data reflect revised population controls used in the household survey.

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-1. Employees on nonfarm payrolls by industry sector and selected industry detail

(In thousands)

Industry	Not seasonally adjusted				Seasonally adjusted						Change from Aug. 2005-Sept. 2005 ^P
	Sept. 2004	July 2005	Aug. 2005 ^P	Sept. 2005 ^P	Sept. 2004	May 2005	June 2005	July 2005	Aug. 2005 ^P	Sept. 2005 ^P	
Total nonfarm	132,127	133,583	133,793	134,325	131,880	133,413	133,588	133,865	134,076	134,041	-35
Total private	110,635	112,950	113,142	112,618	110,203	111,659	111,828	112,048	112,233	112,167	-66
Goods-producing	22,241	22,486	22,568	22,447	21,947	22,138	22,134	22,134	22,154	22,155	1
Natural resources and mining	608	640	644	647	597	624	628	629	631	636	5
Logging	71.8	67.2	67.9	67.9	68.0	64.9	64.8	65.3	64.9	64.5	-4
Mining	536.4	572.8	576.4	579.8	529.5	559.5	563.1	563.4	566.4	571.2	4.8
Oil and gas extraction	124.0	128.1	128.1	128.0	124.0	125.2	125.4	126.4	126.7	127.0	1.0
Mining, except oil and gas ¹	213.7	226.1	226.8	224.1	208.5	219.4	221.2	219.9	219.8	219.5	-3
Coal mining	73.6	78.7	78.4	78.4	72.9	76.6	77.2	77.8	77.5	78.0	.5
Support activities for mining	198.7	218.6	221.5	226.5	196.0	214.9	216.5	217.1	219.9	224.0	4.1
Construction	7,229	7,542	7,580	7,517	6,998	7,213	7,230	7,235	7,262	7,285	23
Construction of buildings	1,683.3	1,743.5	1,754.0	1,740.3	1,647.8	1,693.9	1,696.2	1,699.2	1,705.7	1,708.3	2.6
Residential building	922.6	974.9	973.3	968.4	905.5	941.7	943.3	946.8	949.5	953.7	4.2
Nonresidential building	760.7	768.6	780.7	771.9	742.3	752.2	752.4	752.4	756.2	754.6	-1.6
Heavy and civil engineering construction	963.9	1,007.1	1,014.7	1,006.1	902.1	925.8	937.4	938.2	939.7	940.2	.5
Specialty trade contractors	4,582.0	4,791.8	4,811.7	4,770.9	4,447.8	4,593.7	4,596.4	4,597.8	4,616.7	4,636.6	19.9
Residential specialty trade contractors	2,178.8	2,283.0	2,286.5	2,284.0	2,113.9	2,190.5	2,192.7	2,189.9	2,198.9	2,216.7	17.8
Nonresidential specialty trade contractors	2,403.2	2,508.7	2,525.2	2,486.8	2,333.9	2,403.2	2,403.7	2,407.9	2,417.8	2,419.9	2.1
Manufacturing	14,404	14,304	14,344	14,283	14,352	14,301	14,276	14,270	14,281	14,234	-27
Production workers	10,169	10,086	10,150	10,124	10,117	10,092	10,080	10,081	10,081	10,070	-11
Durable goods	8,965	8,936	8,976	8,932	8,957	8,961	8,947	8,940	8,945	8,924	-21
Production workers	6,182	6,173	6,238	6,224	6,172	6,198	6,197	6,197	6,214	6,210	-4
Wood products	554.7	556.1	556.2	554.6	550.1	548.4	550.7	549.5	549.7	549.4	-3
Nonmetallic mineral products	518.6	510.9	510.0	507.1	508.6	501.6	501.3	499.4	498.7	496.8	-1.9
Primary metals	467.1	462.3	465.1	466.6	466.4	466.2	465.3	465.4	465.3	466.3	1.0
Fabricated metal products	1,507.1	1,522.8	1,526.7	1,524.7	1,508.5	1,520.7	1,521.0	1,523.6	1,523.7	1,525.5	1.8
Machinery	1,144.3	1,159.9	1,155.9	1,163.1	1,148.7	1,156.2	1,156.2	1,160.5	1,160.5	1,167.6	7.1
Computer and electronic products ²	1,330.6	1,340.8	1,338.9	1,331.3	1,322.5	1,329.5	1,333.4	1,333.9	1,334.4	1,332.5	-1.9
Computer and peripheral equipment	211.9	215.8	215.2	215.0	211.9	213.3	214.8	214.7	215.0	215.0	0
Communications equipment	151.2	153.3	154.7	154.4	151.0	154.2	154.3	154.4	154.3	154.7	.4
Semiconductors and electronic components	456.1	449.6	449.2	445.7	457.0	446.5	447.3	447.1	446.9	445.7	-1.2
Electronic instruments	433.2	442.5	442.8	440.6	434.6	437.2	439.2	440.4	441.3	441.5	.2
Electrical equipment and appliances	447.5	440.4	435.5	434.8	447.0	443.6	440.1	439.4	439.2	435.2	-4.0
Transportation equipment ¹	1,770.3	1,725.7	1,763.3	1,737.0	1,768.5	1,779.5	1,764.3	1,752.5	1,758.6	1,736.6	-22.0
Motor vehicles and parts ²	1,110.6	1,038.3	1,077.8	1,081.8	1,109.9	1,097.2	1,079.6	1,066.7	1,075.6	1,080.8	5.2
Furniture and related products	571.4	558.9	561.5	555.8	572.1	561.8	561.0	558.5	558.6	556.8	-1.8
Miscellaneous manufacturing	653.4	658.2	657.2	656.7	654.5	653.0	653.7	657.3	656.6	657.3	.7
Nondurable goods	5,439	5,368	5,368	5,351	5,395	5,340	5,329	5,330	5,316	5,310	-6
Production workers	3,987	3,913	3,914	3,900	3,945	3,894	3,883	3,884	3,867	3,860	-7
Food manufacturing	1,526.4	1,510.2	1,518.3	1,506.3	1,494.3	1,490.7	1,488.4	1,486.8	1,483.1	1,478.7	-4.4
Beverages and tobacco products	199.6	195.4	194.2	196.5	194.9	191.3	190.4	190.6	189.8	190.9	1.1
Textile mills	238.3	222.1	221.8	222.7	237.3	225.1	223.9	223.0	221.7	221.4	-3
Textile product mills	176.1	179.3	178.0	177.3	177.8	178.4	176.9	177.9	177.9	178.7	.8
Apparel	283.9	256.0	256.9	256.8	261.0	259.2	257.0	258.8	255.3	253.9	-1.4
Leather and allied products	42.9	42.9	43.6	43.1	42.7	42.8	42.8	43.5	43.4	43.1	-3
Paper and paper products	500.5	497.9	497.2	491.7	499.3	498.3	496.4	495.9	494.1	490.8	-3.3
Printing and related support activities	663.5	657.2	654.7	654.1	661.6	656.5	655.6	653.9	652.7	652.6	-.1
Petroleum and coal products	115.0	119.8	120.2	118.7	113.2	117.1	116.9	116.9	117.2	116.9	-.3
Chemicals	883.5	884.9	879.9	874.4	885.5	877.8	878.4	878.9	878.3	879.5	1.2
Plastics and rubber products	809.3	802.1	803.4	805.2	807.1	803.0	802.3	803.2	802.2	803.2	1.0

See footnotes at end of table.

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-2. Average weekly hours of production or nonsupervisory workers¹ on private nonfarm payrolls by industry sector and selected industry detail

Industry	Not seasonally adjusted				Seasonally adjusted						Change from Aug. 2005-Sept. 2005P
	Sept. 2004	July 2005	Aug. 2005P	Sept. 2005P	Sept. 2004	May 2005	June 2005	July 2005	Aug. 2005P	Sept. 2005P	
Total private	33.6	33.8	33.9	33.8	33.8	33.7	33.7	33.7	33.7	33.7	0.0
Goods-producing	39.7	39.7	40.3	40.6	40.1	39.9	39.9	39.9	39.9	39.9	.0
Natural resources and mining	44.3	45.5	46.4	46.8	44.5	45.8	45.6	45.9	46.0	45.9	-.1
Construction	37.6	38.8	39.3	39.4	38.3	38.5	38.5	38.2	38.3	38.2	-.1
Manufacturing	40.6	39.9	40.6	41.0	40.8	40.4	40.4	40.5	40.5	40.5	.0
Overtime hours	4.7	4.3	4.7	4.8	4.6	4.4	4.4	4.5	4.5	4.4	-.1
Durable goods	40.9	40.3	41.1	41.5	41.2	40.8	40.9	41.0	41.1	41.0	-.1
Overtime hours	4.6	4.3	4.8	4.8	4.7	4.4	4.4	4.6	4.7	4.5	-.2
Wood products	39.7	39.6	39.9	40.0	40.4	39.6	39.5	39.6	39.4	39.5	.1
Nonmetallic mineral products	43.0	41.6	42.3	43.1	42.4	41.8	41.7	41.6	41.6	42.1	.5
Primary metals	42.8	42.4	42.8	43.2	43.1	42.5	42.7	43.1	43.0	43.0	.0
Fabricated metal products	40.7	40.3	40.7	41.1	41.2	40.7	40.7	40.8	40.7	40.8	-.1
Machinery	41.5	41.6	41.6	42.0	42.3	41.9	41.9	42.1	42.0	41.8	-.2
Computer and electronic products	40.1	39.7	39.8	40.7	40.3	39.9	39.8	40.1	39.9	40.2	.3
Electrical equipment and appliances	40.0	40.2	41.1	41.7	40.6	40.2	40.2	40.9	40.9	41.2	.3
Transportation equipment	42.3	40.5	42.7	43.0	42.4	41.8	42.2	42.2	42.8	42.4	-.4
Motor vehicles and parts ²	42.5	39.8	42.8	43.2	42.4	41.4	42.0	41.9	42.9	42.5	-.4
Furniture and related products	38.8	39.2	39.6	39.6	39.3	39.1	39.3	39.3	39.2	39.2	.0
Miscellaneous manufacturing	38.0	37.6	38.7	38.9	38.4	38.6	38.7	38.2	38.7	38.8	.1
Nonurable goods	40.1	39.4	39.8	40.2	40.1	39.7	39.7	39.7	39.7	39.7	.0
Overtime hours	4.8	4.3	4.5	4.7	4.4	4.3	4.3	4.3	4.3	4.3	.0
Food manufacturing	39.8	38.8	39.2	39.5	39.3	38.9	38.8	39.0	38.8	38.7	-.1
Beverages and tobacco products	39.8	40.0	40.6	39.9	39.2	39.0	40.0	39.9	40.0	39.5	-.5
Textile mills	39.9	39.6	40.0	40.0	40.2	40.4	40.3	40.2	39.9	39.8	-.1
Textile product mills	38.7	37.8	38.4	38.7	39.1	38.7	38.1	38.2	38.5	38.3	-.2
Apparel	35.5	34.9	35.8	35.0	36.2	35.1	35.4	35.3	35.6	35.2	-.4
Leather and allied products	37.2	38.4	38.3	38.5	39.2	38.5	38.6	39.3	38.4	38.4	.0
Paper and paper products	42.4	41.9	42.3	42.7	42.2	42.3	42.2	42.2	42.4	42.4	.0
Printing and related support activities	38.4	38.1	38.3	38.9	38.3	38.4	38.2	38.4	38.3	38.4	.1
Petroleum and coal products	45.8	45.5	44.6	47.9	46.0	45.6	45.5	45.4	45.2	46.9	1.7
Chemicals	42.7	41.6	41.5	42.0	42.8	42.3	42.1	42.0	41.7	42.0	.3
Plastics and rubber products	40.1	38.8	39.8	40.5	40.3	39.6	39.6	39.6	39.9	40.1	.2
Private service-providing	32.3	32.6	32.5	32.3	32.5	32.4	32.4	32.4	32.4	32.4	.0
Trade, transportation, and utilities	33.6	33.6	33.5	33.4	33.6	33.4	33.3	33.3	33.3	33.3	.0
Wholesale trade	37.6	37.5	37.5	37.7	37.8	37.6	37.6	37.6	37.5	37.6	.1
Retail trade	30.9	31.0	30.9	30.6	30.8	30.6	30.5	30.5	30.5	30.5	.0
Transportation and warehousing	37.4	37.1	37.0	36.8	37.5	37.1	37.0	37.0	36.9	36.6	-.3
Utilities	41.5	41.1	41.1	42.4	41.4	40.9	41.2	41.2	41.3	41.9	.6
Information	36.2	36.6	36.6	36.4	36.3	36.6	36.4	36.6	36.4	36.6	.2
Financial activities	35.2	35.9	35.9	35.7	35.5	36.0	36.0	36.1	36.0	36.0	.0
Professional and business services	34.0	34.2	34.3	34.3	34.7	34.1	34.1	34.3	34.2	34.3	.1
Education and health services	32.4	32.7	32.6	32.6	32.5	32.6	32.6	32.7	32.5	32.7	.2
Leisure and hospitality	25.3	26.4	26.4	25.3	25.6	25.8	25.8	25.7	25.7	25.6	-.1
Other services	30.8	31.2	31.2	30.9	31.0	30.9	31.0	31.0	31.0	30.9	-.1

¹ Data relate to production workers in natural resources and mining and manufacturing, construction workers in construction, and nonsupervisory workers in the service-providing industries. These groups account for approximately four-fifths of the total employment on private nonfarm payrolls.

² Includes motor vehicles, motor vehicle bodies and trailers, and motor vehicle parts.
P = preliminary.

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers¹ on private nonfarm payrolls by industry sector and selected industry detail

Industry	Average hourly earnings				Average weekly earnings			
	Sept. 2004	July 2005	Aug. 2005 ^p	Sept. 2005 ^p	Sept. 2004	July 2005	Aug. 2005 ^p	Sept. 2005 ^p
Total private	\$15.79	\$16.05	\$16.06	\$16.22	\$530.54	\$542.49	\$544.43	\$548.24
Seasonally adjusted	15.77	16.14	16.15	16.18	533.03	543.92	544.26	545.27
Goods-producing	17.40	17.63	17.70	17.76	690.78	699.91	713.31	721.06
Natural resources and mining	17.97	18.72	18.64	18.74	796.07	851.76	864.90	877.03
Construction	19.42	19.56	19.59	19.73	730.19	758.93	769.89	777.36
Manufacturing	16.35	16.49	16.60	16.63	663.81	657.95	673.96	681.83
Durable goods	17.06	17.21	17.42	17.43	697.75	693.56	715.96	723.35
Wood products	13.14	13.18	13.05	13.09	521.66	521.93	520.70	523.60
Nonmetallic mineral products	16.51	16.92	16.84	16.73	709.93	703.87	712.33	721.06
Primary metals	18.89	18.94	18.96	19.09	808.49	803.06	811.49	824.69
Fabricated metal products	15.43	15.84	15.88	15.92	628.00	636.35	648.32	654.31
Machinery	16.85	17.11	16.95	16.86	699.28	711.78	705.12	708.12
Computer and electronic products	17.48	18.63	18.63	18.49	700.95	739.61	741.47	752.54
Electrical equipment and appliances	15.08	15.28	15.30	15.23	603.20	614.26	628.83	635.09
Transportation equipment	21.91	21.48	22.29	22.44	926.79	869.94	951.78	964.92
Furniture and related products	13.39	13.45	13.47	13.56	519.53	527.24	533.41	537.77
Miscellaneous manufacturing	13.97	14.24	14.14	14.11	530.86	535.42	547.22	548.88
Nondurable goods	15.23	15.33	15.24	15.30	610.72	604.00	606.55	615.06
Food manufacturing	13.09	13.02	12.99	12.97	520.98	505.18	509.21	512.32
Beverages and tobacco products	19.17	19.01	18.48	18.61	762.97	760.40	750.29	742.54
Textile mills	12.25	12.44	12.46	12.44	486.78	492.62	496.40	497.60
Textile product mills	11.49	11.75	11.75	11.69	444.86	444.15	451.20	452.40
Apparel	9.93	10.27	10.20	10.30	352.52	358.42	365.16	360.50
Leather and allied products	11.56	11.54	11.58	11.70	430.03	443.14	443.51	450.45
Paper and paper products	18.21	18.20	17.93	17.95	772.10	762.58	758.44	766.47
Printing and related support activities	15.95	15.73	15.83	16.01	612.86	599.31	606.29	622.79
Petroleum and coal products	24.44	24.56	24.08	24.25	1,119.35	1,117.48	1,073.97	1,161.58
Chemicals	19.44	19.71	19.73	19.87	830.09	819.94	818.80	834.54
Plastics and rubber products	14.75	14.91	14.89	14.91	591.48	578.51	592.62	603.86
Private service-providing	15.35	15.63	15.61	15.79	495.81	509.54	507.33	510.02
Trade, transportation, and utilities	14.69	15.00	14.95	15.02	493.58	504.00	500.83	501.67
Wholesale trade	17.71	18.20	18.16	18.26	665.90	682.50	681.00	688.40
Retail trade	12.21	12.43	12.38	12.36	377.29	385.33	382.54	378.22
Transportation and warehousing	16.51	16.80	16.82	16.83	617.47	623.28	622.34	619.34
Utilities	25.89	26.84	26.55	27.15	1,074.44	1,103.12	1,091.21	1,151.16
Information	21.73	22.02	22.15	22.52	786.63	805.93	810.69	819.73
Financial activities	17.62	17.93	17.92	17.97	620.22	643.69	643.33	641.53
Professional and business services	17.47	17.93	17.66	17.97	593.98	613.21	612.60	616.37
Education and health services	16.30	16.77	16.73	16.84	528.12	548.38	545.40	548.98
Leisure and hospitality	8.94	9.01	9.04	9.26	226.18	237.86	238.66	234.28
Other services	14.06	14.14	14.18	14.29	433.05	441.17	442.42	441.56

¹ See footnote 1, table B-2.

p = preliminary.

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-4. Average hourly earnings of production or nonsupervisory workers¹ on private nonfarm payrolls by industry sector and selected industry detail, seasonally adjusted

Industry	Sept. 2004	May 2005	June 2005	July 2005	Aug. 2005 ^P	Sept. 2005 ^P	Percent change from: Aug. 2005-Sept. 2005 ^P
Total private:							
Current dollars	\$15.77	\$16.03	\$16.07	\$16.14	\$16.15	\$16.16	0.2
Constant (1982) dollars ²	8.25	8.19	8.21	8.20	8.15	N.A.	(³)
Goods-producing	17.30	17.54	17.58	17.60	17.65	17.64	-.1
Natural resources and mining	18.06	18.59	18.66	18.74	18.77	18.83	.3
Construction	19.27	19.36	19.43	19.52	19.50	19.56	.3
Manufacturing	16.29	16.53	16.55	16.55	16.84	16.57	-.4
Excluding overtime ⁴	15.42	15.68	15.70	15.68	15.76	15.72	-.3
Durable goods	16.98	17.28	17.32	17.34	17.45	17.36	-.5
Nondurable goods	15.18	15.31	15.29	15.25	15.28	15.26	-.1
Private service-providing	15.36	15.63	15.67	15.76	15.75	15.80	.3
Trade, transportation, and utilities	14.66	14.91	14.91	15.04	15.01	15.00	-.1
Wholesale trade	17.73	18.04	18.11	18.25	18.24	18.29	.3
Retail trade	12.16	12.38	12.35	12.47	12.43	12.33	-.8
Transportation and warehousing	16.53	16.67	16.69	16.76	16.81	16.83	.1
Utilities	25.82	26.49	26.37	27.00	26.82	27.02	.7
Information	21.62	21.97	22.08	22.18	22.24	22.35	.5
Financial activities	17.64	17.82	17.90	17.99	17.95	17.98	.2
Professional and business services	17.54	17.94	17.98	18.05	18.06	18.06	.0
Education and health services	16.28	16.60	16.67	16.73	16.75	16.80	.3
Leisure and hospitality	8.95	9.09	9.10	9.13	9.15	9.25	1.1
Other services	14.05	14.20	14.22	14.25	14.27	14.28	.1

¹ See footnote 1, table B-2.² The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) is used to deflate this series.³ Change was -0.6 percent from July 2005 to Aug. 2005, the latest month available.⁴ Derived by assuming that overtime hours are paid at the rate of time and one-half.

N.A. = not available.

P = preliminary.

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers¹ on private nonfarm payrolls by industry sector and selected industry detail

(2002=100)

Industry	Not seasonally adjusted				Seasonally adjusted							Percent change from: Aug. 2005-Sept. 2005 ²
	Sept. 2004	July 2005	Aug. 2005 ²	Sept. 2005 ²	Sept. 2004	May 2005	June 2005	July 2005	Aug. 2005 ²	Sept. 2005 ²		
Total private	100.8	104.1	104.6	103.6	100.9	102.3	102.5	102.8	103.0	102.8	-0.2	
Goods-producing	98.2	99.3	101.5	101.7	97.4	98.0	98.1	98.1	98.2	98.3	.1	
Natural resources and mining	108.3	117.3	121.1	122.4	105.9	114.4	114.9	115.9	117.1	117.3	.2	
Construction	104.6	112.8	115.0	114.1	102.1	106.3	106.6	105.9	106.4	106.5	.1	
Manufacturing	94.8	92.4	94.6	95.3	94.7	93.6	93.5	93.7	93.7	93.6	-.1	
Durable goods	95.0	93.5	96.3	97.0	95.5	95.0	95.2	95.5	96.0	95.7	-.3	
Wood products	99.6	99.6	100.7	100.7	100.6	98.0	98.2	98.3	97.9	98.5	.6	
Nonmetallic mineral products	103.1	97.8	99.5	100.6	99.2	95.8	96.0	95.1	95.1	95.7	.6	
Primary metals	92.8	90.7	92.1	93.9	93.3	91.7	92.0	93.1	92.7	93.3	.6	
Fabricated metal products	97.5	97.6	98.8	100.1	98.8	98.5	98.6	99.0	98.8	98.9	.1	
Machinery	95.2	97.5	97.1	99.1	97.5	98.0	98.0	99.1	98.9	99.2	.3	
Computer and electronic products	90.4	95.3	96.6	99.5	91.0	93.6	94.3	96.1	96.7	98.4	1.8	
Electrical equipment and appliances	88.0	88.8	88.7	89.3	89.0	87.3	86.7	88.4	88.2	88.0	-.2	
Transportation equipment	96.3	88.8	97.4	96.5	96.3	96.0	95.9	95.0	97.2	94.9	-2.4	
Motor vehicles and parts	98.9	83.4	94.6	96.3	96.6	93.4	93.0	90.9	94.7	94.7	.0	
Furniture and related products	92.3	90.9	92.2	91.2	93.6	90.8	91.3	91.0	90.7	90.4	-.3	
Miscellaneous manufacturing	90.3	88.2	91.0	91.1	91.3	90.1	90.5	89.7	90.8	90.9	.1	
Nondurable goods	94.2	90.8	91.7	92.3	93.2	91.0	90.8	90.8	90.4	90.3	-.1	
Food manufacturing	101.2	97.7	99.3	99.4	97.4	96.5	96.0	96.6	95.6	95.2	-.4	
Beverages and tobacco products	94.9	98.6	99.3	99.1	89.7	91.8	94.6	94.8	94.6	94.1	-.5	
Textile mills	78.6	71.2	71.8	72.0	78.8	74.2	73.3	72.8	71.6	71.2	-.6	
Textile product mills	90.7	91.5	92.3	93.3	92.7	92.7	90.9	92.0	92.9	93.3	.4	
Apparel	74.3	64.2	65.8	64.4	74.6	65.4	65.4	65.8	65.0	63.8	-1.8	
Leather and allied products	81.9	84.0	86.6	87.6	84.4	84.3	85.3	87.8	86.9	86.9	.0	
Paper and paper products	90.8	89.0	90.1	90.3	90.0	90.1	89.4	89.4	89.8	89.3	-.6	
Printing and related support activities	93.4	91.7	91.6	93.2	93.1	92.4	91.6	91.9	91.4	91.8	.4	
Petroleum and coal products	110.6	109.1	106.0	111.2	108.6	108.1	107.0	105.5	104.2	106.8	2.5	
Chemicals	98.7	95.7	94.6	94.8	99.5	96.6	96.2	95.9	94.7	95.0	.3	
Plastics and rubber products	94.1	89.1	91.5	93.1	94.2	91.4	91.2	91.1	91.6	91.9	.3	
Private service-providing	101.7	105.6	105.4	104.0	102.1	103.6	103.9	104.2	104.4	104.2	-.2	
Trade, transportation, and utilities	99.9	102.1	101.9	100.9	100.1	101.1	100.9	101.2	101.3	100.7	-.6	
Wholesale trade	99.0	101.4	101.4	101.6	99.4	100.6	100.7	100.9	100.8	101.1	.3	
Retail trade	99.3	101.9	101.8	99.4	99.6	100.2	100.1	100.5	100.6	99.7	-.9	
Transportation and warehousing	104.3	104.7	104.4	105.3	103.5	105.4	105.1	105.1	104.8	103.7	-1.0	
Utilities	96.2	97.8	97.9	99.4	96.0	96.1	96.9	97.0	97.6	98.4	.8	
Information	98.9	103.9	103.7	102.7	99.9	103.1	102.6	103.3	102.8	104.0	1.2	
Financial activities	101.7	106.6	106.6	105.1	102.4	105.1	105.4	106.0	105.8	105.9	.1	
Professional and business services	103.2	107.3	108.6	108.3	104.5	105.2	105.7	106.7	106.8	107.3	.5	
Education and health services	103.0	104.8	104.4	106.2	103.9	106.0	106.2	106.8	106.3	107.1	.8	
Leisure and hospitality	103.5	114.7	114.5	105.5	103.0	105.7	106.0	105.9	106.2	105.1	-1.0	
Other services	95.9	100.1	99.4	97.0	96.8	97.7	98.1	98.1	97.9	97.5	-.4	

¹ See footnote 1, table B-2.² Includes motor vehicles, motor vehicle bodies and trailers, and motor vehicle parts.² Preliminary.

NOTE: The indexes of aggregate weekly hours are calculated by

dividing the current month's estimates of aggregate hours by the corresponding 2002 annual average levels. Aggregate hours estimates are the product of estimates of average weekly hours and production or nonsupervisory worker employment.

ESTABLISHMENT DATA

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Table B-6. Indexes of aggregate weekly payrolls of production or nonsupervisory workers¹ on private nonfarm payrolls by industry sector and selected industry detail

(2002=100)

Industry	Not seasonally adjusted				Seasonally adjusted							Percent change from: Aug. 2005-Sept. 2005 ^P
	Sept. 2004	July 2005	Aug. 2005 ^P	Sept. 2005 ^P	Sept. 2004	May 2005	June 2005	July 2005	Aug. 2005 ^P	Sept. 2005 ^P		
Total private	106.5	111.7	112.4	112.4	106.5	109.8	110.3	111.0	111.2	111.3	0.1	
Goods-producing	104.6	107.3	110.0	110.6	103.1	105.3	105.6	105.7	106.2	106.2	.0	
Natural resources and mining	113.2	127.7	131.2	133.4	111.3	123.7	124.6	126.3	127.8	128.5	.5	
Construction	109.6	119.1	121.6	121.5	106.2	111.2	111.9	111.6	112.1	112.5	.4	
Manufacturing	101.3	99.6	102.7	103.6	100.9	101.2	101.2	101.4	102.0	101.4	-6	
Durable goods	101.2	100.4	104.7	105.6	101.3	102.5	103.0	103.3	104.5	103.7	-8	
Nondurable goods	101.3	98.4	98.8	99.8	99.9	98.5	98.1	97.9	97.6	97.3	-3	
Private service-providing	107.2	113.4	113.0	112.9	107.8	111.3	111.8	112.8	112.9	113.1	.2	
Trade, transportation, and utilities	104.7	109.2	108.6	108.1	104.7	107.5	107.4	108.6	108.5	107.8	-6	
Wholesale trade	103.3	108.7	108.5	109.2	103.8	106.9	107.5	108.5	108.3	108.9	.6	
Retail trade	104.0	108.6	108.0	105.3	103.9	106.4	106.0	107.4	107.2	105.3	-18	
Transportation and warehousing	109.2	111.6	111.4	112.4	108.5	111.5	111.2	111.8	111.7	110.7	-9	
Utilities	103.9	109.5	108.4	112.6	103.5	106.2	106.7	109.3	109.3	111.0	1.6	
Information	106.4	113.3	113.7	114.5	106.9	112.1	112.2	113.4	113.2	115.1	1.7	
Financial activities	110.8	118.2	118.1	116.8	111.7	115.8	116.7	117.9	117.4	117.7	.3	
Professional and business services	107.3	114.5	115.4	115.8	109.0	112.3	113.0	114.6	114.7	115.3	.5	
Education and health services	110.4	115.5	114.8	117.6	111.2	115.7	116.4	117.5	117.1	118.3	1.0	
Leisure and hospitality	107.8	120.5	120.7	114.0	107.5	112.1	112.5	112.8	113.3	113.4	.1	
Other services	98.2	103.2	102.7	101.0	99.1	101.1	101.6	101.9	101.8	101.4	-4	

¹ See footnote 1, table B-2.

P = preliminary.

NOTE: The indexes of aggregate weekly payrolls are calculated by dividing the current month's estimates of aggregate payrolls by

the corresponding 2002 annual average levels. Aggregate payroll estimates are the product of estimates of average hourly earnings, average weekly hours, and production or nonsupervisory worker employment.

ESTABLISHMENT DATA

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Table B-7. Diffusion Indexes of employment change
(Percent)

Time span	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Private nonfarm payrolls, 278 industries ¹												
Over 1-month span:												
2001	49.5	47.7	48.6	32.7	42.4	40.8	36.7	39.0	37.6	33.6	36.9	37.1
2002	41.0	35.6	38.7	39.2	40.5	47.7	42.8	43.0	42.1	39.0	41.5	35.1
2003	44.4	38.7	35.3	41.4	39.4	39.9	42.1	39.4	50.4	48.9	50.0	50.5
2004	50.9	53.4	66.0	67.3	64.6	59.7	55.4	53.8	57.6	58.6	54.7	54.3
2005	54.1	61.2	53.1	61.7	57.4	54.7	58.8	P 54.9	P 63.2			
Over 3-month span:												
2001	53.2	49.8	49.8	42.3	38.1	34.2	37.8	37.6	34.7	35.4	30.8	32.0
2002	35.3	37.9	36.5	34.2	34.4	39.4	40.6	44.1	37.8	37.1	35.8	36.7
2003	38.3	35.4	33.3	33.5	36.5	41.7	37.8	37.4	43.2	46.4	46.6	50.2
2004	52.5	53.8	56.7	69.4	75.4	71.2	63.5	56.8	57.4	59.9	59.7	56.3
2005	58.5	60.3	63.7	62.4	59.4	64.2	61.3	P 61.2	P 55.9			
Over 6-month span:												
2001	53.1	50.9	52.0	45.5	43.0	39.7	38.5	33.6	33.5	34.2	33.6	30.9
2002	29.5	29.9	32.0	31.7	30.9	37.4	37.1	38.7	35.3	36.0	37.9	35.1
2003	32.7	32.2	31.3	31.3	33.1	37.6	33.6	32.2	40.3	43.7	45.4	45.3
2004	47.3	50.4	54.9	62.6	64.4	69.6	67.3	68.9	64.6	62.2	59.7	55.8
2005	60.3	62.8	63.7	62.2	62.6	63.1	64.0	P 61.9	P 61.3			
Over 12-month span:												
2001	59.5	59.5	53.4	49.3	48.6	45.0	43.3	43.9	39.9	37.8	37.1	34.9
2002	33.6	31.7	30.2	30.4	30.2	29.1	32.0	31.3	30.0	29.5	32.9	34.7
2003	34.5	31.5	32.9	33.5	34.2	35.1	32.7	33.1	37.1	35.7	37.2	39.2
2004	40.3	42.1	44.8	48.7	52.0	56.7	57.4	57.6	60.3	62.1	64.6	64.0
2005	61.2	64.7	64.2	65.8	63.8	60.4	63.8	P 66.2	P 62.9			
Manufacturing payrolls, 84 industries ¹												
Over 1-month span:												
2001	22.0	17.3	22.0	17.9	16.1	22.6	13.1	15.5	18.5	17.3	14.9	11.9
2002	19.0	18.6	22.0	32.1	26.2	31.0	35.7	23.2	28.5	15.5	18.5	16.7
2003	35.1	19.0	19.0	11.9	19.6	20.8	22.6	24.4	32.7	35.1	33.9	42.9
2004	39.3	49.4	50.0	65.5	60.1	51.8	60.7	48.8	42.9	42.3	46.4	44.6
2005	42.3	44.6	41.1	47.6	44.0	33.9	50.0	P 36.9	P 48.2			
Over 3-month span:												
2001	32.7	20.8	16.7	14.3	14.3	11.9	11.9	9.5	7.7	12.5	11.3	9.5
2002	10.7	11.9	11.3	17.9	14.9	20.2	25.6	23.8	20.2	13.7	8.9	9.5
2003	16.1	14.3	12.5	8.9	10.7	10.7	14.3	13.5	18.5	27.4	31.5	35.1
2004	42.3	43.5	42.9	58.3	69.0	69.6	62.5	53.6	52.4	44.6	45.2	35.7
2005	45.2	42.9	52.4	46.4	41.7	38.7	41.1	P 44.0	P 43.5			
Over 6-month span:												
2001	22.6	24.4	21.4	19.6	14.3	11.9	13.1	11.3	10.7	7.1	7.7	5.4
2002	6.0	8.3	8.3	9.5	7.1	13.1	12.5	11.3	14.3	8.3	8.3	7.7
2003	12.5	10.1	7.1	8.3	11.3	10.7	4.8	10.1	13.1	16.7	19.6	25.8
2004	27.4	29.8	33.3	47.0	52.4	57.1	60.1	58.9	58.9	50.6	45.2	42.9
2005	43.5	44.0	42.3	39.3	38.7	36.9	36.9	P 35.1	P 39.9			
Over 12-month span:												
2001	29.8	32.1	20.8	19.0	13.1	12.5	10.7	11.9	11.9	10.1	8.3	6.0
2002	7.1	6.0	6.0	6.5	7.1	3.6	4.8	6.0	4.8	7.1	4.8	8.3
2003	10.7	6.0	6.5	6.0	8.3	7.1	7.1	8.3	10.7	10.7	9.5	10.7
2004	13.1	14.3	13.1	19.0	25.6	34.5	43.5	40.5	45.8	46.2	49.4	46.4
2005	45.2	45.8	47.6	44.6	42.3	39.3	39.3	P 38.1	P 36.9			

¹Based on seasonally adjusted data for 1-, 3-, and 6-month spans and unadjusted data for the 12-month span.
² Preliminary.

NOTE: Figures are the percent of industries with employment

increasing plus one-half of the industries with unchanged employment, where 50 percent indicates an equal balance between industries with increasing and decreasing employment.

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CHAD STONE
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Opening Statement
Senator Jack Reed
Joint Economic Committee Hearing
October 7, 2005

Thank you, Chairman Saxton. This is a very important hearing because it is our first look at jobs data that begin to reflect the impact of Hurricane Katrina. I want to commend Deputy Commissioner Rones for the hard work that the Bureau of Labor Statistics staff put into producing this month's employment statistics under truly extraordinary circumstances.

Obviously this month's employment report is dominated by the devastating impact of Hurricane Katrina on the Gulf coast. The human costs were tragic and the property losses staggering. For the economy as a whole, the net job losses in September were 35,000. That is substantially below what markets were expecting, which may reflect the difficulty we face in getting a clear picture of the impact of the hurricane on employment.

We don't know what this month's employment report would have looked like without Katrina, but we do know that prior to Katrina, the labor market was still feeling the effects of the most protracted jobs slump in decades. The growth in payroll employment since job losses peaked in May 2003 has been modest by the standards of most economic recoveries, and we haven't seen very many months of truly healthy job growth.

Although the unemployment rate has come down, it is still considerably higher than the 4 percent rate achieved in the expansion of the 1990s. There is evidence of hidden unemployment, with labor force participation and the fraction of the population with a job still at depressed levels.

Finally, of course, there is the disappointing performance of wages. The typical worker's earnings are not keeping up with their rising living expenses. Gasoline prices have been high and home heating costs are expected to be substantially higher this winter than they were last winter. The real wage gains we have seen in the past year or so have been concentrated in the upper reaches of the wage distribution, while real earnings in the middle and lower portions of the distribution are falling.

I am troubled by the fact that President Bush wasted little time exercising his power to lift the federal law governing workers' pay on federal contracts in the hurricane-ravaged areas. That provision, known as the Davis-Bacon Act, requires federal contractors to pay the prevailing or average wage in the region.

According to the Department of Labor, the prevailing wage for construction labor is about \$10 an hour in New Orleans, where last year the overall poverty rate was about two percentage points higher than the national average and 25 percent of children lived in poverty. It's certainly hard to take seriously the President's rhetoric about wanting to lift families out of poverty while legitimizing sub-par wages for workers rebuilding their communities on the Gulf Coast. The Davis-Bacon wage protection for workers should be restored immediately.

The American economy is resilient, and forecasters expect that reconstruction efforts in the wake of the Gulf hurricanes will stimulate a recovery in jobs from the depressed levels we see in this month's jobs report. I hope they are right.

But I also hope President Bush has noticed that many American workers do not feel they are a part of the economic recovery. That was reflected in the Conference Board's consumer confidence index, which dropped by 17.9 percent last month, its largest decline since October 1990, and in the University of Michigan's index of consumer sentiment which posted its largest drop since December 1980. Economic insecurity is not just growing, it's becoming palpable.

I look forward to Deputy Commissioner Rones' statement and to a further discussion of the September employment situation.