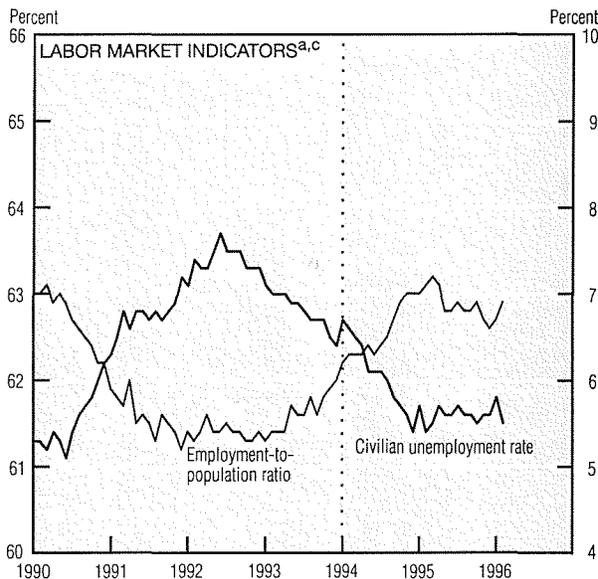


Labor Market Conditions (Seasonally adjusted)

	Average monthly change (thousands of employees)				
	1995			1996	
	Year	IVQ	Dec.	Jan.	Feb.
Payroll employment	144	142	145	-188	705
Goods-producing	-5	6	39	-59	153
Manufacturing	-14	-5	35	-75	26
Construction	11	12	2	17	121
Service-producing	149	136	106	-129	552
Services	93	67	63	-44	287
Business services	26	19	34	-31	126
Retail trade	19	27	-8	-60	166
Eating and drinking establishments	8	7	17	-36	62
Average for period					
Civilian unemployment rate (%)	5.6	5.6	5.6	5.8	5.5
Nonfarm workweek (hours)	34.5	34.4	34.3	33.7	34.5
Mfg. workweek (hours) ^b	41.6	41.4	41.2	39.9	41.6



Duration of Unemployment (Seasonally adjusted)

	Percent of total unemployed persons			
	Less than 5 weeks	5 to 14 weeks	15 to 26 weeks	27 weeks and longer
1995				
September	38.3	30.3	14.3	17.1
October	37.2	31.8	13.7	17.2
November	37.1	32.0	14.2	16.7
December	36.4	32.5	14.5	16.6
1996				
January	36.8	31.9	14.8	16.5
February	37.8	30.9	15.3	16.0

a. Seasonally adjusted.
b. Production and nonsupervisory workers.
c. Vertical line indicates break in data series due to survey redesign.
SOURCE: U.S. Department of Labor, Bureau of Labor Statistics.

Rarely has employment shown such wide month-to-month swings as in the first two months of 1996. Following January's revised decline of 188,000, nonfarm payrolls soared by 705,000 in February—the largest monthly gain since September 1983, when they rose 1.1 million. Factoring in the December figure brings net job additions to an average rate of 220,000 per month for the past three months.

Goods-producing employment rose 153,000, due mostly to a

weather-related rebound in construction, although manufacturing did post a small gain (26,000). The service-producing sector showed a net increase of 552,000 jobs, partly as a result of snapbacks in industries where employment levels had been depressed by January's inclement weather. Almost all of the 166,000-worker gain posted by retail trade occurred in industries where employment changes have been relatively flat (or even negative)—restaurants, bars, and department stores. The narrow services category

turned around last month, gaining 287,000 jobs, about half of them concentrated in business services.

The February unemployment rate pointed to strength in the labor markets, falling to 5.5% from 5.8% in January. The share of long-term joblessness (the proportion of people unemployed for 27 weeks or more) has declined in recent months. Half of all jobless persons currently face an unemployment spell of eight weeks or less, which is relatively short by historical standards.