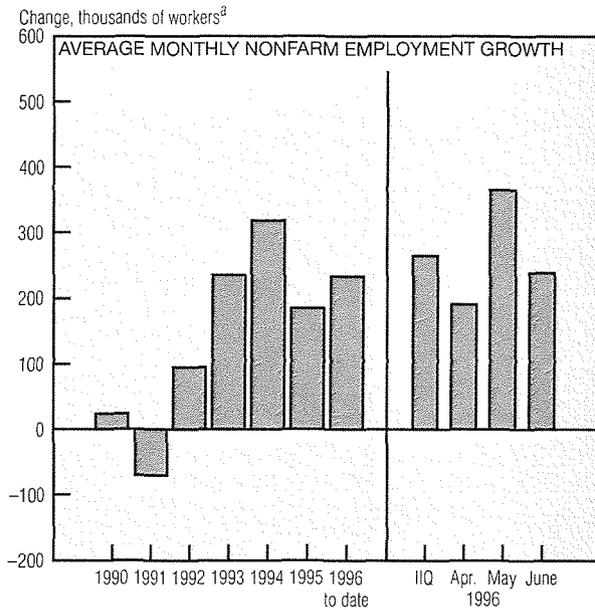
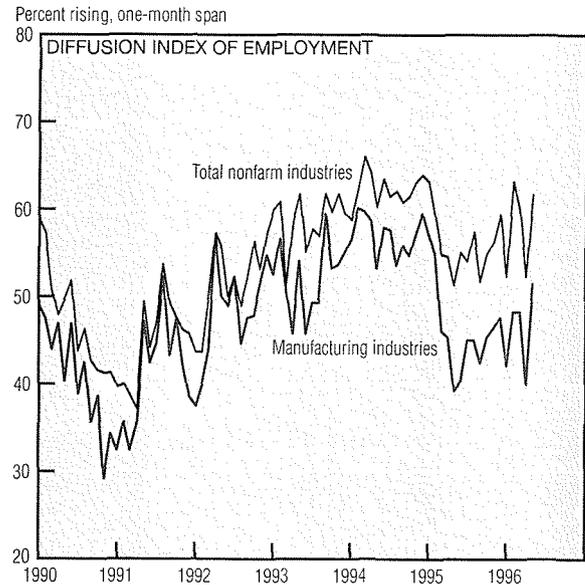
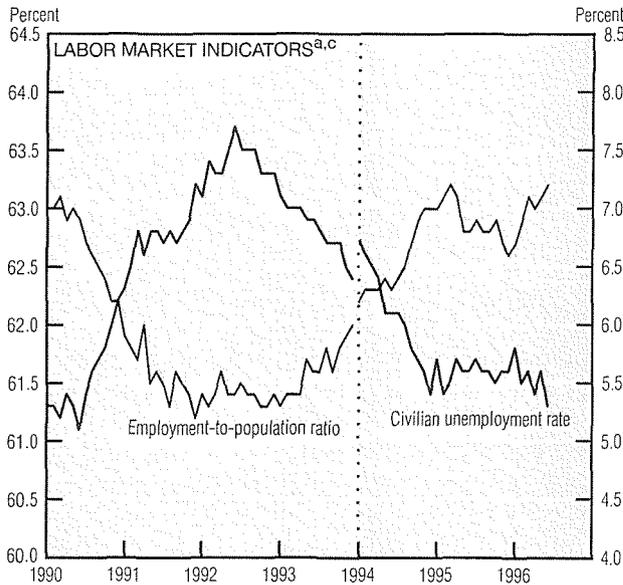


# Labor Markets



	Average monthly change (thousands of employees)				
	1995	1996			
Year	IIQ	April	May	June	
Payroll employment	185	265	191	365	239
Goods-producing	-5	26	13	49	16
Manufacturing	-12	3	1	16	-7
Construction	9	22	13	30	23
Service-producing	190	239	178	316	223
Services	110	111	79	156	99
Computer	11	13	14	15	9
Retail trade	36	68	79	51	75
Federal govt.	-5	-6	-3	-2	-13
Average for period					
Civilian unemployment rate (%)	5.6	5.4	5.4	5.6	5.3
Average hourly earnings (dollars) <sup>b</sup>	11.5	11.8	11.7	11.7	11.8
Mfg. workweek (hours) <sup>b</sup>	34.5	34.4	34.3	34.2	34.7



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.

June was characterized by widespread strength in the nation's labor markets, as nonfarm payrolls added 239,000 workers. That expansion pushed jobs growth for the first six months of the year above the 1.3 million mark, slightly better than 1995's first-half posting of 1.2 million. June's diffusion index of employment (61.7%) reveals that the increase was distributed among a wide variety of industries. Likewise, the Bureau of Labor Statistics re-

ported that both the rise in the nonfarm workweek and the record increase in average hourly earnings reflected broad-based gains. The service-producing sector led the June advance, creating 223,000 new jobs on net. Growth in the narrow services industries was slightly below average, while retail trade establishments added 75,000 workers, nearly half of whom were hired by restaurants and bars. The goods-producing sector posted a small net

increase of 16,000, although manufacturing employment was negative. The federal government continued to trim payrolls, cutting 13,000 workers during the month. Household survey data also pointed to strength in the nation's labor markets. The unemployment rate dropped to 5.3% in June—its lowest level in six years. In addition, the employment-to-population ratio rose once again, edging up to 63.2%.