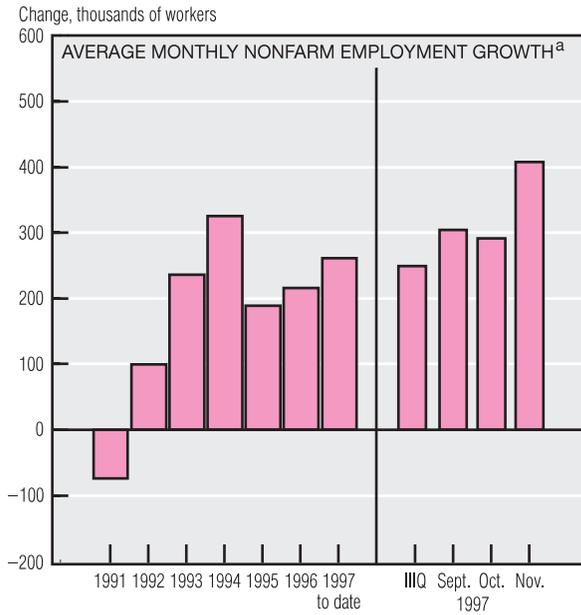
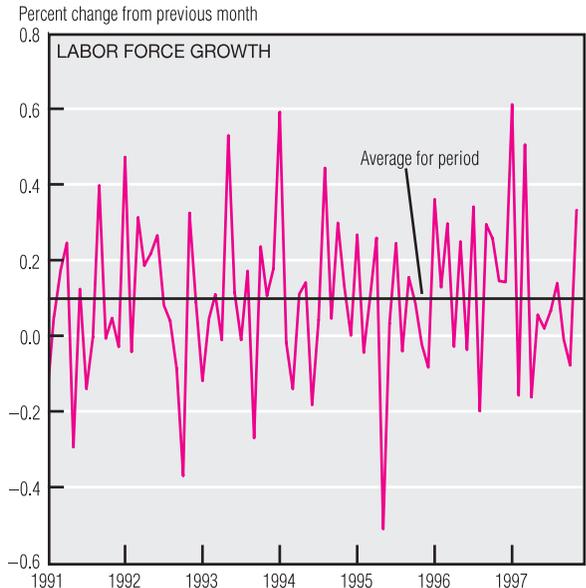


Labor Markets



	Average monthly change (thousands of employees)				
	1996	1997			
	Year	IIIQ	Sept.	Oct.	Nov.
Payroll employment	212	245	300	287	404
Goods-producing	19	19	6	44	72
Manufacturing	-5	12	-2	38	44
Construction	24	7	5	8	29
Service-producing	192	226	294	243	332
Services	98	109	148	106	180
Retail trade	48	45	26	34	105
Eating and drinking estab.	6	10	8	-3	30
Government	14	25	-90	30	-5
Local	19	30	-80	21	-2
		Average for period			
Civilian unemployment rate (%)	5.4	4.9	4.9	4.7	4.6
Manufacturing workweek (hours) ^b	41.5	41.8	41.9	42.0	42.1



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.

The unemployment rate reached a 24-year low in December, as strong jobs growth outpaced an expanding labor force. Nonfarm payrolls were up 404,000, pushing the unemployment rate to 4.6%, a level not seen since October 1973.

Increases were notably large in the services, retail trade, and manufacturing sectors. With the holiday shopping season approaching, retailers added 105,000 jobs to their

payrolls in November, building on October's revised 34,000 gain. Restaurants accounted for a substantial portion of retail employment growth. Payrolls in the narrow services sector rose 180,000 following October's revised 106,000 gain, with 29% of the increase coming from temporary agencies. Manufacturing and construction also turned in strong performances in November, but government em-

ployment fell somewhat.

The labor force expanded last month, at a pace well above its recent trend. Although highly variable on a month-to-month basis, labor force growth throughout much of this year has been below trend. As a result of these strong employment and labor force gains, a record 64% of working-age Americans now have jobs.