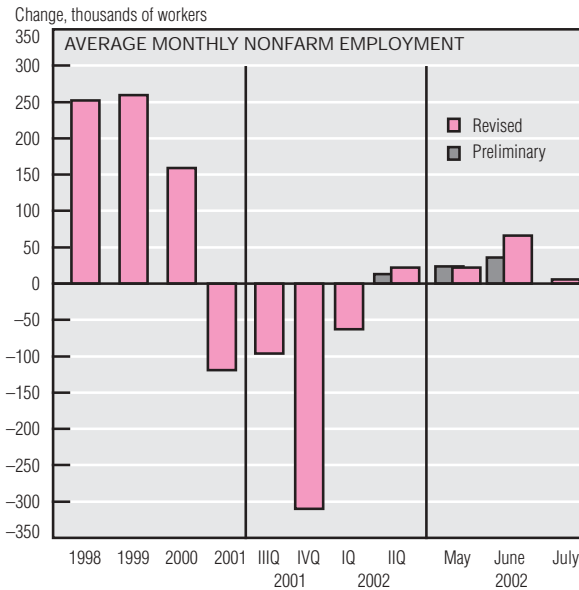
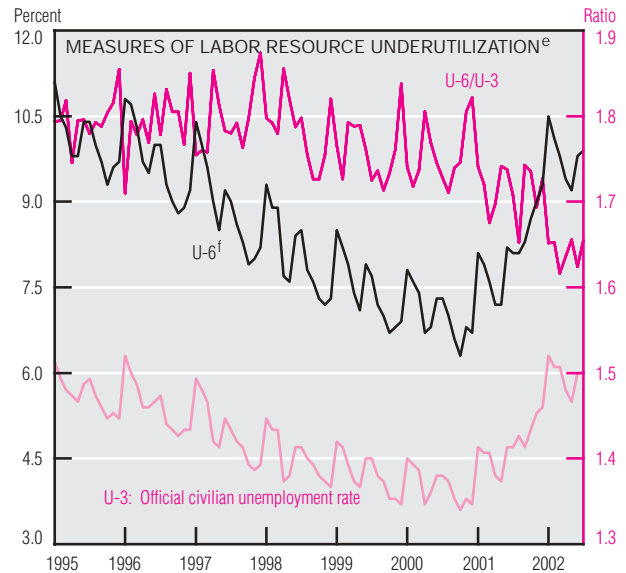
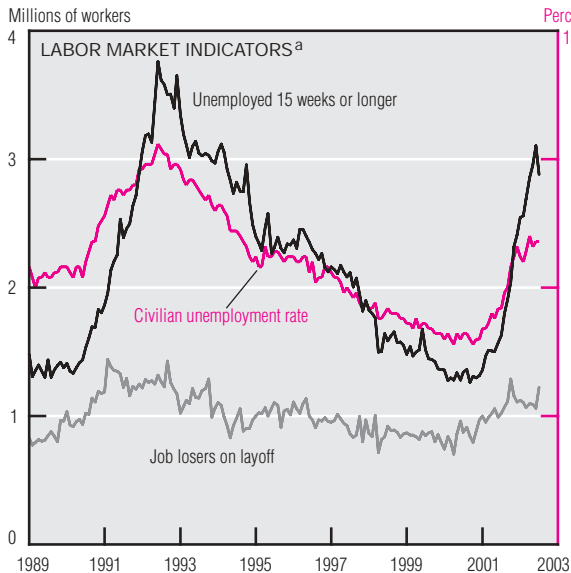


Labor Markets



	Average monthly change (thousands of employees)				
	1999	2000	2001	Jan.-June 2002	July 2002
Payroll employment	259	159	-119	-20	6
Goods-producing	8	-1	-111	-66	-40
Mining	-3	1	1	-2	-3
Construction	26	8	-3	-13	-30
Manufacturing	-16	-11	-109	-51	-7
Durable goods	-5	1	-79	-37	-18
Nondurable goods	-11	-12	-30	-13	11
Service-producing	252	161	-8	45	46
TPU ^b	19	17	-23	-11	-3
Wholesale and retail trade	60	25	-31	-2	-13
FIRE ^c	7	5	10	-2	2
Services ^d	132	92	-2	45	50
Health services	9	15	27	22	29
Help supply	32	0	-54	20	-35
Government	35	22	39	18	-16
Average for period (percent)					
Civilian unemployment rate	4.2	4.0	4.8	5.8	5.9



a. All data are seasonally adjusted.
 b. Transportation and public utilities.
 c. Finance, insurance, and real estate.
 d. The services industry includes travel; business support; recreation and entertainment; private and/or parochial education; personal services; and health services.
 e. Data are not seasonally adjusted.
 f. Unemployed persons plus marginally attached workers plus persons employed part time for economic reasons divided by the labor force plus marginally attached workers. (Marginally attached workers are those not in the labor force who want to work and have actively searched for a job within the last 12 months, but not within the last four weeks.)
 SOURCE: U.S. Department of Labor, Bureau of Labor Statistics.

Nonfarm payroll employment was virtually unchanged in July (up 6,000) after a revised increase of 66,000 jobs in June. The second-quarter net employment increase (67,000) seems to compare favorably with the first-quarter job loss (189,000), but most of that loss (165,000) came in February.

Services employment increased 50,000 jobs in July, 29,000 of them coming from health services. However, help supply services declined 35,000 jobs. Goods-producing industries showed a net loss of 40,000 jobs, with much of the loss in construction

(30,000). This decline offset much of the job gain in services.

Although the unemployment rate was unchanged at 5.9%, the number of unemployed on temporary layoff rose 162,000, while the number of job losers not on layoff fell by about the same amount (163,000). Consistent with this, the number unemployed for 15 weeks or longer fell 220,000 to 2.9 million. That number had been increasing every month since May 2001, when it was at 1.5 million.

The number of persons working part time for economic reasons rose from 3.9 million in June to 4.2 million

in July. These workers are not counted as unemployed by the official unemployment rate. The Bureau of Labor Statistics releases a range of unemployment indicators (U-1 to U-6) to measure this and other types of underemployment. Alternative measures usually—but not always—mirror trends in the official unemployment rate (U-3). The broadest, most popular alternative measure, U-6, includes those who work part time for economic reasons. From July 2001 to July 2002, U-6 grew 22%, (from 8.1% to 9.9%) while U-3 grew 28% (from 4.7% to 6.0%), lowering the U-6/U-3 ratio.