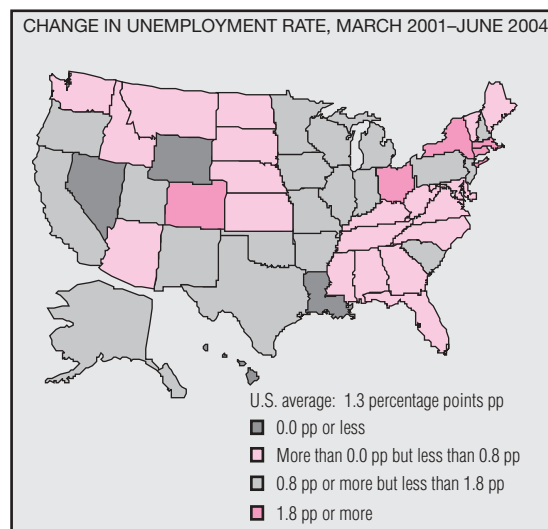
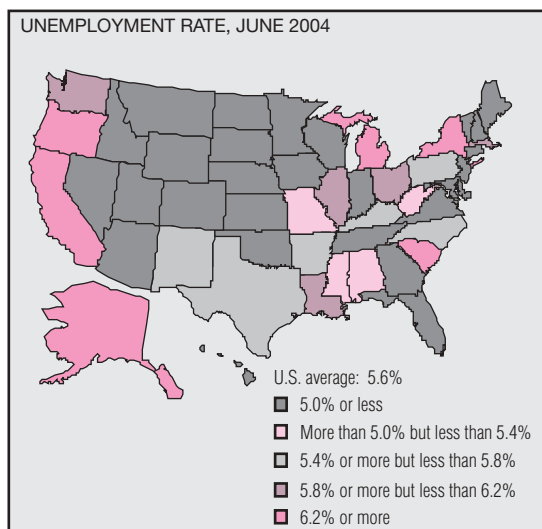
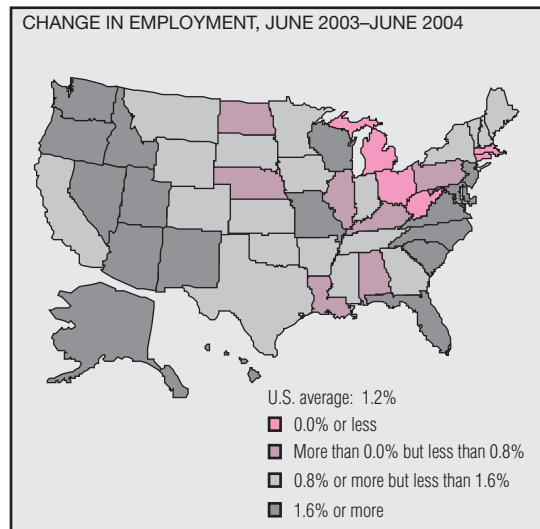
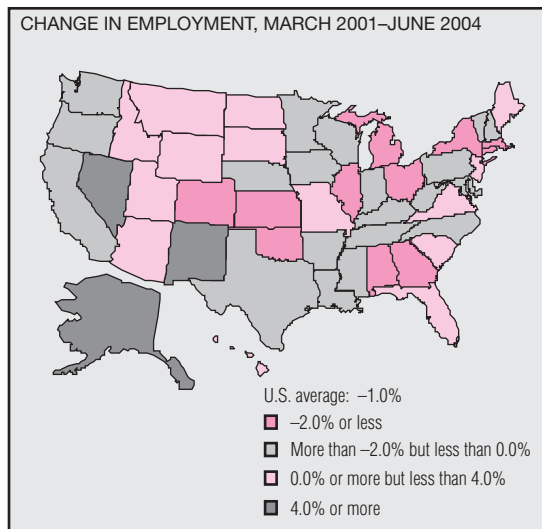


## Changes in U.S. Employment



SOURCE: U.S. Department of Labor, Bureau of Labor Statistics.

From the peak of the last expansion (March 2001) to June 2004, employment in the U.S. fell 1.0%. The decrease was most severe in the Great Lakes (–4.6% in Michigan and –3.9% in Ohio), Middle South (–2.1% in Alabama), Northeast (–5.7% in Massachusetts), and Central regions (–3.6% in Colorado), whereas employment generally grew in the Rocky Mountain states, Alaska (6.1%), Florida (3.6%) and Nevada (7%). These changes result from both demographic and economic factors.

Labor market conditions have improved recently. From June 2003

to June 2004, U.S. employment rose 1.2%, with growth concentrated on the West Coast (4.7% in Nevada) and in the Rocky Mountain states (2.8% in Idaho). Some manufacturing states, such as Massachusetts, Michigan, and Ohio, have continued to lose jobs; other manufacturing states, such as Indiana and Wisconsin, have benefited from the recent recovery.

The U.S. average unemployment rate for the first half of 2004 was 5.6%. Recent rates have varied by state from 3.1% in Hawaii and North Dakota to 6.9% in Oregon and 7.3% in Alaska. The effects of a negative shock persist

on the West Coast, but unemployment is generally below average across the Northern Plain, Rocky Mountain, and South Atlantic states.

The U.S. unemployment rate increased 1.3 percentage points from March 2001 to June 2004. Although the overall increase is moderate, some states have suffered more from the recession; unemployment rates in, Colorado, Ohio, New York, and Massachusetts increased 2 percentage points or more. Three states—Hawaii, Nevada and Wyoming—experienced a drop in unemployment.