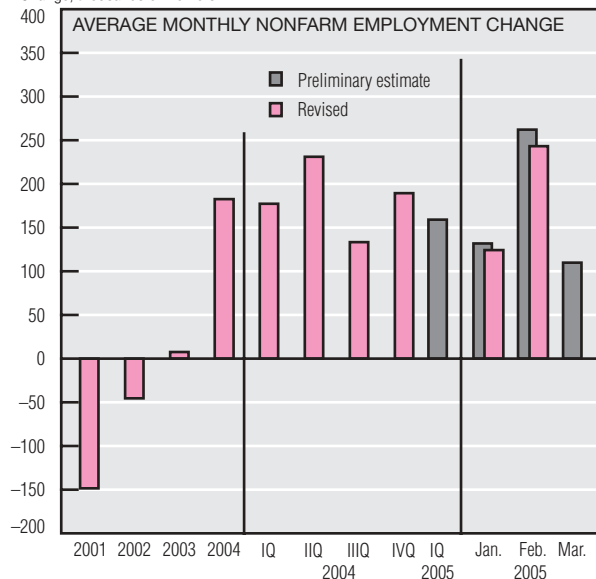


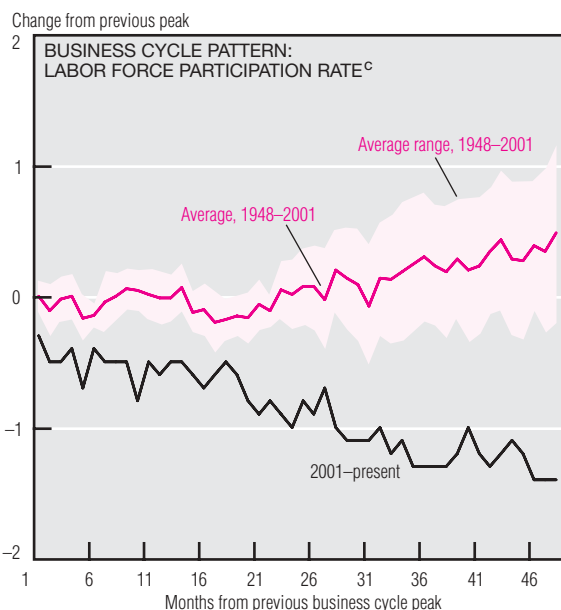
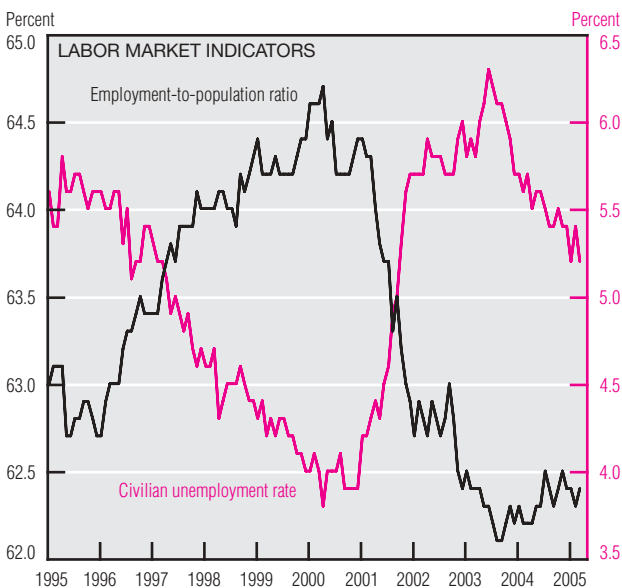
Labor Markets

Change, thousands of workers



Labor Market Conditions

	Average monthly change (thousands of employees, NAICS)				
	2001	2002	2003	2004	Mar. 2005
Payroll employment	-148	-45	8	183	110
Goods producing	-124	-76	-42	29	24
Construction	-1	-7	10	23	26
Manufacturing	-123	-67	-51	3	-8
Durable goods	-88	-48	-32	9	-2
Nondurable goods	-35	-19	-19	-6	-6
Service providing	-25	30	50	154	86
Retail trade	-24	-10	-5	13	-10
Financial activities ^a	8	6	7	12	2
PBS ^b	-63	-17	22	45	27
Temporary help svcs.	-37	2	12	15	-4
Education & health svcs.	50	40	30	33	23
Government	46	21	-4	22	9
	Average for period (percent)				
Civilian unemployment rate	4.8	5.8	6.0	5.5	5.2



NOTE: All data are seasonally adjusted.

a. Financial activities include the finance, insurance, and real estate sector and the rental and leasing sector.

b. Professional and business services include professional, scientific, and technical services, management of companies and enterprises, administrative and support, and waste management and remediation services.

c. Shaded band indicates a 95% confidence interval for the nation's 1948-2001 average.

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

Total nonfarm payroll employment rose by 110,000 in March, less than the average monthly increase of 183,000 in 2004. The average monthly employment gain for 2005:IQ was 159,000, down from the average of 190,000 in 2004:IVQ.

Service-providing industries, which usually account for about four-fifths of monthly job growth, increased by

86,000—the smallest monthly gain since July 2004 and slightly more than half the average monthly gain since January 2004. Goods-producing industries gained 24,000 jobs, largely from construction. Payroll employment among these industries reached 22.1 million in March, the highest level in more than two years. Manufacturing employment fell by 8,000 jobs to 14.3 million, close to the

recent record low of 14.2 million in February 2004.

The unemployment rate fell 0.2 percentage point to 5.2% in March, partly because of stagnant labor force participation growth. On the basis of previous business cycles, the participation rate would have been expected to be almost 2 percentage points higher than its 65.8%.