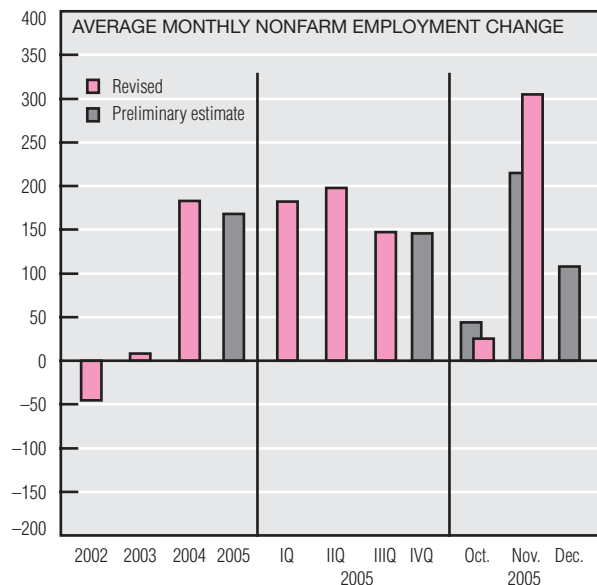
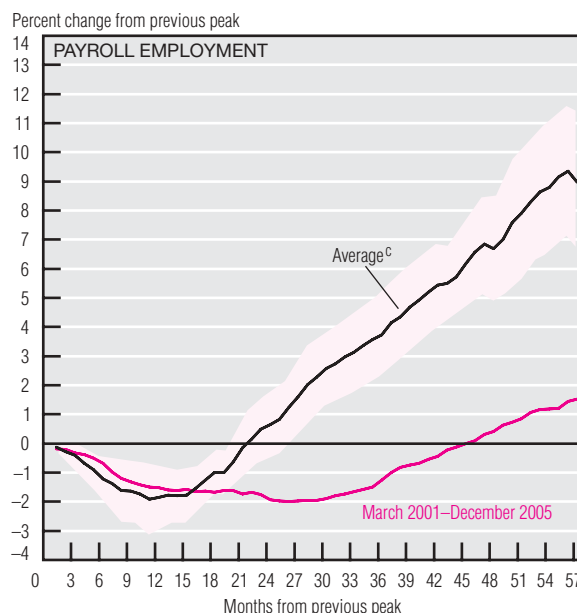
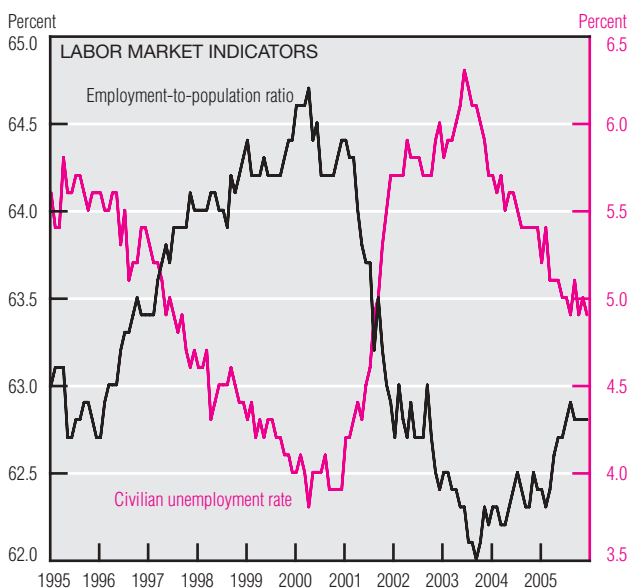


Labor Markets



	Average monthly change (thousands of employees, NAICS)				
	2002	2003	2004	2005	Dec. 2005
Payroll employment	-45	8	183	168	108
Goods producing	-76	-42	29	20	12
Construction	-7	10	23	21	-9
Manufacturing	-67	-51	3	-4	18
Durable goods	-48	-32	9	1	15
Nondurable goods	-19	-19	-6	-6	3
Service providing	30	50	154	148	96
Retail trade	-10	-5	13	8	-16
Financial activities ^a	6	7	12	16	12
PBS ^b	-17	22	45	41	33
Temporary help svcs.	2	12	15	13	9
Education & health svcs.	40	30	33	30	25
Leisure and hospitality	12	18	22	20	23
Government	21	-4	12	16	14
	Average for period (percent)				
Civilian unemployment rate	5.8	6.0	5.5	5.1	4.9



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. The shaded area represents the average plus or minus one standard error.

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

Job growth was robust in 2005: Payroll employment, having increased by 2.0 million jobs during the year, finally exceeded the level it reached at the peak of the most recent economic expansion, in March 2001. (In previous economic recoveries, employment typically took no more than two years to regain the level it posted at the previous peak.) After its upwardly revised net gain of 305,000 in November 2005, nonfarm payroll employment rose by 108,000 in December. That was less than the average monthly job gain of 165,000 for October and November, as

well as the average monthly gain of 168,000 for the year.

December employment growth was sustained in the service-providing industries (except retail trade, which lost 16,000 jobs). The month's largest job gains came from professional and business services (33,000), education and health services (25,000), and leisure and hospitality (23,000). Manufacturing employment, which showed a net average loss of 4,000 jobs per month in 2005, gained 18,000 jobs in December. The year's gains were concentrated in service-providing industries (which accounted for nearly 90%

of job growth), especially professional and business services (486,000) and education and health services (363,000). Manufacturing employment, which in 2004 posted its first calendar-year increase since 1997, declined by 51,000 in 2005.

The unemployment rate, which has fluctuated between 5.1% and 4.9% over the past nine months, ticked down 0.1 percentage point to 4.9% in December after data revisions. The employment-to-population ratio remained at 62.8 for the fourth consecutive month.