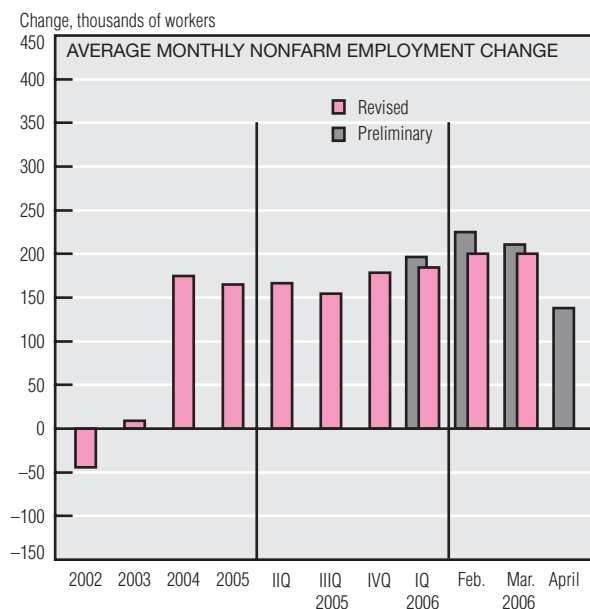
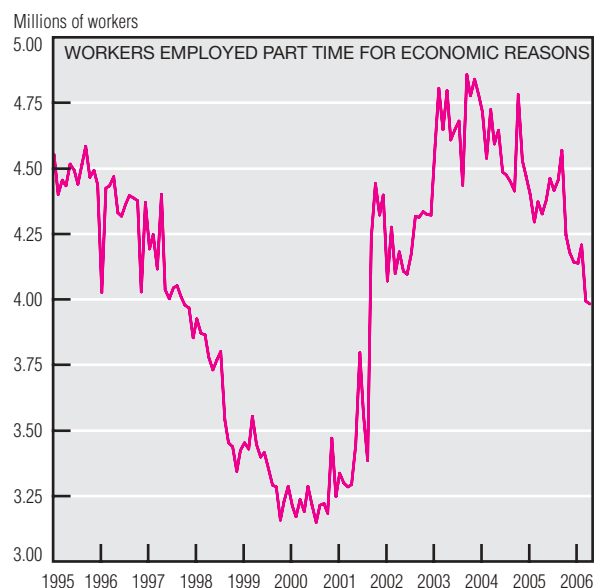


Labor Markets



Labor Market Conditions

	Average monthly change (thousands of employees, NAICS)				
	2002	2003	2004	2005	Apr. 2006
Payroll employment	-45	9	175	165	138
Goods producing	-76	-42	28	22	37
Construction	-8	10	26	25	10
Manufacturing	-67	-51	0	-6	19
Durable goods	-48	-32	9	1	24
Nondurable goods	-19	-19	-9	-7	-5
Service providing	32	51	147	143	101
Retail trade	-9	-4	17	13	-36
Financial activities ^a	6	7	8	12	26
PBS ^b	-17	23	40	41	28
Temporary help svcs.	2	12	13	14	-1
Education & health svcs.	40	30	33	31	35
Leisure and hospitality	12	19	26	21	20
Government	21	-4	13	14	7
	Average for period (percent)				
Civilian unemployment rate	5.8	6.0	5.5	5.1	4.7



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.

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

Nonfarm payroll growth was slightly less vigorous in April than earlier this year: Employment increased by 138,000 jobs, less than the expected 200,000 and below the average monthly gain of 171,000 jobs over the previous 12 months. Employment gains for February and March were revised down a combined 36,000 jobs.

The service-providing sector, which generally accounts for about four-fifths of monthly employment gains, added 101,000 jobs in April, down from its average increase of 174,000 jobs in the preceding two months. Gains were solid in the education and

health services industry (35,000) and robust in the financial activities industry (26,000). Although job growth in business services and in leisure and hospitality has decelerated since March, these industries still added 28,000 and 20,000 jobs, respectively, in April. On the other hand, retail employment decreased by about 36,000 jobs, more than offsetting the 23,000 job gain in March. Meanwhile, the goods-producing sector posted a net increase of 37,000 jobs in April, more than the average monthly increase of 26,000 jobs over the previous 12 months. Manufacturing added

19,000 jobs net, its highest monthly gain in nearly two years, primarily because of a 13,900 gain in the transportation sector.

The unemployment rate, which has fallen nearly $\frac{1}{2}$ percentage point over the past year, remained steady in April at 4.7%, and the employment-to-population ratio stayed at 63.0. Meanwhile, the number of people working part time for economic reasons fell to its lowest level (3.98 million workers) since August 2001. This could be a sign that labor markets are improving as more part-time workers find full-time jobs.