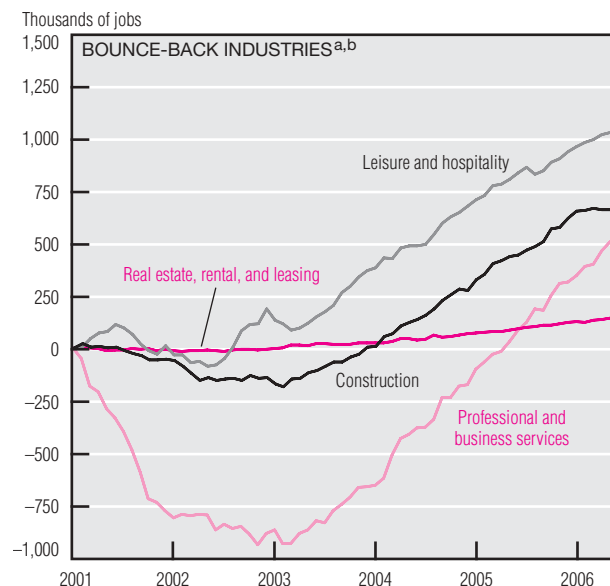
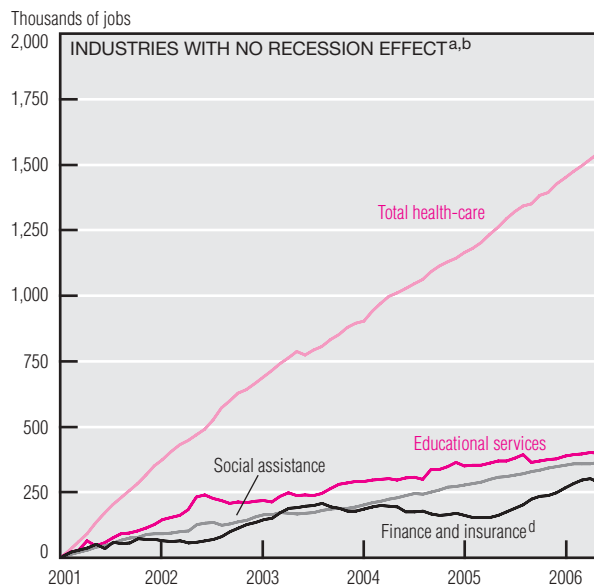
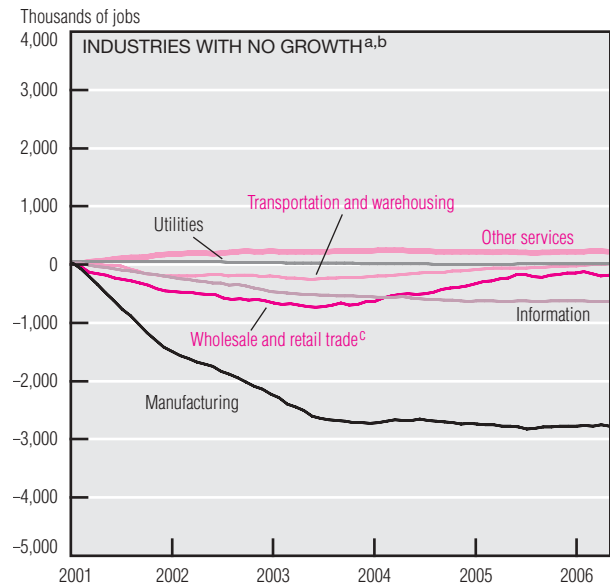
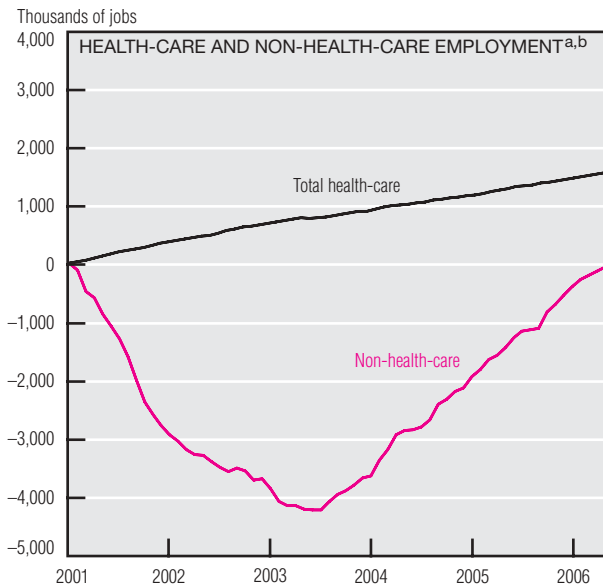


# Sources of Job Creation



a. Data are seasonally adjusted.

b. Calculated using employment data from the Bureau of Labor Statistics.

c. Excludes employment related to medical equipment, druggists' goods, and health and personal care sales.

d. Excludes employment related to health insurance.

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

The cover story of the September 25 edition of *Business Week* highlighted an intriguing fact about job creation in the U.S. since March 2001, the beginning of the last recession: Over 1.5 million more jobs were created than lost in health-care industries. In all other industries put together? About zero.

This doesn't mean that the health-care sector was the only one in which employment grew over the past five years; in fact, employment patterns varied dramatically across different

types of economic activity. To be sure, some industries lost jobs or showed essentially zero growth in those years. Manufacturing was by far the biggest loser of jobs, shedding a stunning 2.8 million positions on net. But there were others, notably information services (which includes telecommunications and internet providers).

Several sectors of the economy faced hard times during the recession and were slow to recover, but more recently have begun to exhibit fairly healthy growth. Consider, for example, professional and business

services (whose employees include lawyers, accountants, managers, and consultants). From February 2001 through March 2003, businesses in this group shed, on balance, 932,000 jobs. But since then, the sector's employment growth has actually exceeded that of health-related activities.

There is no denying the importance of health care. It is a big sector, and its share in both GDP and employment will surely grow still more. But when it comes to job creation, it's not the only game in town.