Labor markets were solid but not spectacular in 1995, as the nation posted a yearlong employment gain of 1.5 million jobs. Although December data are not included in the tally, this figure puts last year’s net job creation at roughly half the 1994 total (3.5 million).

Employment took a turn for the worse in the goods-producing sector, shedding 102,000 workers compared to a gain of 666,000 in 1994. One significant factor in this loss was the bleak employment situation in manufacturing, where a number of industries, notably transportation equipment and fabricated metals, experienced consistent cutbacks.

Most service-producing categories added fewer workers in 1995 than in 1994. One exception was the computer and data processing industry, which posted a 10% employment gain over the course of the year. This translated into 98,000 new jobs added to the economy.

The monthly unemployment figures fluctuated quite a bit during 1995, but the average for the year (5.6%) came in far below the 1994 rate of 6.1%. At the regional level, the employment news was mixed. Mountain states like Nevada, Utah, and New Mexico exhibited strong growth, while industrial hubs (including Ohio) finished in the middle of the pack. In addition, a rising number of states posted net employment declines compared to 1994.