Regional labor market data from January 1996 to January 1997 show a pattern of widespread growth across the country, with a 2.2% overall increase in employment. By far the largest gain was posted in Nevada (nearly 7.5%).

The January figures show a much more balanced regional distribution of growth than the comparable statistics for May 1994 to May 1995. During that earlier period, 19 states grew at about twice the national average of 1.3%, while six states registered employment declines.

The recent numbers show that only four states had employment growth at or above twice the national average, and only the District of Columbia experienced a decline, losing nearly 2% of its jobs. The three largest increases came from the West: Nevada, Arizona, and Utah. Even California, which has suffered job declines over the past several years, boosted employment by nearly 3%. However, after the District of Columbia, the three states with the slowest growth—Wyoming, Hawaii, and Alaska—were also in the West.

In the Fourth Federal Reserve District, only Pennsylvania's growth surpassed the national average. The smallest employment gains (about 1.5%) occurred in Ohio.

Another indicator of regional labor market conditions is the state unemployment rate. Although there are several instances where low growth and high unemployment coincide—such as in the District of Columbia and Alaska—there are other cases where they are positively related. Indiana and South Dakota have unemployment rates much below the national average, but have experienced sluggish job growth compared to the nation as a whole. California, on the other hand, has relatively high unemployment but brisk jobs growth.