Labor market growth in September appeared to recover from August’s sluggish pace, with nonfarm payroll employment rising 215,000 nationwide. However, when one factors in the return to work of the former UPS strikers, the estimate is closer to 53,000—much lower than expected. Indeed, September was characterized by weakness in a variety of industries, eclipsing the strike effects and the difficulty of measuring education employment now that many districts have switched to year-round schooling.

The federal government trimmed 9,000 jobs last month, mainly postal workers hired during the strike. Manufacturing payrolls also shrunk (−16,000), primarily because of layoffs in the transportation equipment industry (−20,000). This reverses the 30,000 gain seen in August. Another loser was local education (a subset of local government), which pared 47,000 jobs after adding 63,000 a month before. This wide swing largely reflects seasonal variations in the data, not real effects.

The unemployment rate stood at 4.9% in September, and the employment-to-population ratio fell slightly, to 63.7%. Of those who are currently jobless, 55% are new entrants, reentrants, or workers who left their jobs voluntarily. This implies that Americans still believe job opportunities are plentiful. Average hourly earnings were up four cents—3.6% above last year’s level—another indicator that some workers are realizing solid gains.