The unemployment rate reached a 24-year low in December, as strong jobs growth outpaced an expanding labor force. Nonfarm payrolls were up 404,000, pushing the unemployment rate to 4.6%, a level not seen since October 1973.

Increases were notably large in the services, retail trade, and manufacturing sectors. With the holiday shopping season approaching, retailers added 105,000 jobs to their payrolls in November, building on October’s revised 34,000 gain. Restaurants accounted for a substantial portion of retail employment growth. Payrolls in the narrow services sector rose 180,000 following October’s revised 106,000 gain, with 29% of the increase coming from temporary agencies. Manufacturing and construction also turned in strong performances in November, but government employment fell somewhat.

The labor force expanded last month, at a pace well above its recent trend. Although highly variable on a month-to-month basis, labor force growth throughout much of this year has been below trend. As a result of these strong employment and labor force gains, a record 64% of working-age Americans now have jobs.