June employment bounced back from losses in May, adding 268,000 jobs. Despite the rosier overall picture, manufacturing and mines continued to cut their payrolls. Manufacturing has lost nearly half a million jobs since employment peaked in March 1998. Mining has lost more than 10% of its jobs (65,000) in the last year.

Declining employment among goods producers is offset by an array of service-sector industries. This month’s standouts were gains in temporary-employment agencies (23,000), amusement and recreation services (20,000), and engineering and management services (18,000). The smallness of many service-sector industries makes it easy to miss these sources of growth. For example, transit agencies added another 7,000 workers in June, contributing to an annual gain of nearly 5% in an industry not usually known for growth.

While the industrial distribution of jobs continues to shift, employment prospects for the workforce as a whole remain strong. The unemployment rate was essentially unchanged at 4.3%, up only one-tenth of a percent from recent lows. New entrants to the labor market and other unemployed workers continue to be absorbed rapidly. Of the nearly 6 million jobless in the U.S., 42.6% have been looking for work less than five weeks. While the number of long-term unemployed (those who have been looking for 27 weeks or more) has increased over the last year from 808,000 to 844,000, that figure pales when compared with 2 million at the start of the current recovery.