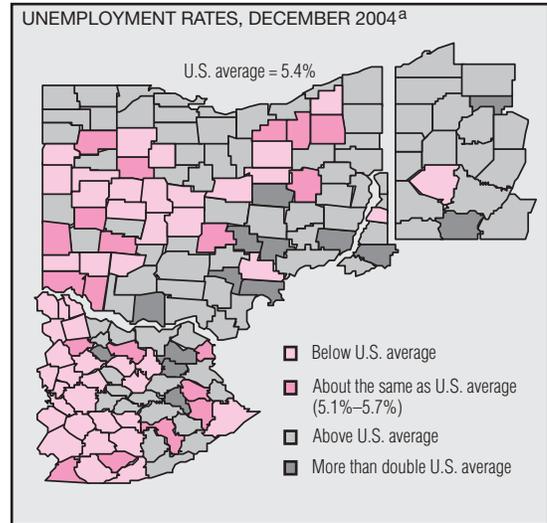
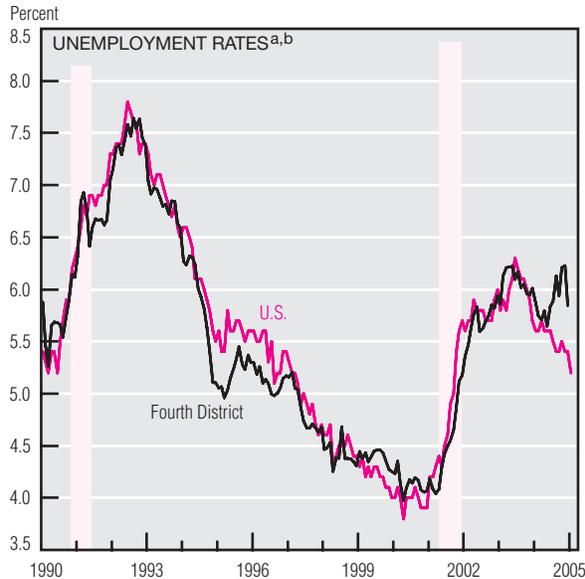


Employment in the Fourth District



Payroll Employment

12-month percent change, December 2004

	Cleveland	Columbus	Cincinnati	Dayton	Toledo	Wheeling	Pittsburgh	Lexington
Total nonfarm	-0.3	0.0	0.7	-0.5	-1.5	0.3	0.9	1.5
Goods-producing	-0.2	-0.3	-2.3	-2.0	-1.6	-1.1	1.4	2.6
Manufacturing	-0.2	0.3	-1.6	-1.6	-3.6	-2.0	-0.7	1.5
Natural resources, mining, and construction	-0.2	-1.2	-4.2	-3.9	5.9	0.0	5.1	5.7
Service-providing	-0.3	0.1	1.3	-0.1	-1.5	0.5	0.8	1.2
Trade, transportation, and utilities	-1.4	-2.2	1.8	-3.5	-3.5	0.0	1.0	0.4
Information	-1.9	-3.4	2.6	3.5	4.3	0.0	-3.7	0.0
Financial activities	0.4	1.6	0.7	0.0	1.6	0.0	0.9	0.0
Professional and business services	0.2	2.0	1.4	-0.4	-2.2	2.2	2.0	-0.7
Education and health services	2.1	1.6	1.3	3.0	1.1	-3.0	1.8	2.0
Leisure and hospitality	-0.8	0.1	5.7	2.2	-2.8	1.4	0.9	8.4
Other services	-2.3	-1.1	0.0	-4.2	0.0	3.6	0.9	2.8
Government	-1.1	0.3	-2.4	0.1	-2.0	2.9	-1.9	-0.9

a. Seasonally adjusted.

b. Shaded areas represent periods of recession.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics.

The Fourth District's unemployment rate fell a sizeable 0.4 percentage point to 5.8% in December. This decline seems to have been driven largely by a reduction in the estimated size of the labor force; estimated employment actually fell slightly during the month. Similarly, while the U.S. unemployment rate held steady at 5.4% in December, its 0.2 percentage point decline to 5.2% in January resulted more from a decrease in the labor force than an increase in employment.

The unemployment rates for counties in the western half of Fourth District Kentucky generally are lower than the U.S. average. In fact, the Lexington metropolitan area's rate in December was 2.8%. Ohio's midsection also showed strength, particularly the area near and west of Columbus (its MSA's unemployment rate was 4.4%). Conversely, counties in the Fourth District portion of Pennsylvania had unemployment rates above the national average (except Allegheny, where the rate was 4.3%).

Employment changes in the 12 months ending in December, as measured by nonfarm payrolls, were mixed across the District's major metropolitan areas. The Toledo area saw the most substantial drop, with percentage declines about even in goods- and service-providing employment. By contrast, Lexington and Columbus were among the few major metropolitan areas in the District to add manufacturing employment in 2004.