**Labor Markets**

Nonfarm payrolls grew by 56,000 jobs in October, and September’s job loss was revised from 35,000 to 8,000. The Bureau of Labor Statistics determined that September’s employment in the areas not affected by Hurricane Katrina would probably have been in line with the average monthly increase for the nation as a whole (200,000) during the first eight months of the year; however, October’s employment growth would probably have been below that average even without Hurricane Katrina.

Job growth in service-providing industries (7,000) was generally lower than year-to-date averages. The major employment losers were the leisure and hospitality and information sub-industries, which declined by 18,000 and 15,000, respectively. Goods-producing industries, however, added more jobs than in the recent past. Construction industry payrolls increased by 33,000, compared with an average growth of 23,000 jobs per month so far in 2005. Manufacturing employment, which declined by 69,000 jobs from May to September, rose by 12,000 jobs in October.

The unemployment rate inched down 0.1 percentage point in October to 5.0%. Similarly, the employment-to-population ratio (62.9%) was little changed in October.

The number of people who were employed but did not go to work helps to illustrate the impact the storms had on workers. More employees miss work during the winter months; however, after controlling for seasonality, it is clear that the recent hurricanes had an enormous impact on workers’ attendance.

**NOTE:** All data are seasonally adjusted.

a. Financial activities include the finance, insurance, and real estate sector and the rental and leasing sector.

b. Professional and business services include professional, scientific, and technical services, management of companies and enterprises, administrative and support, and waste management and remediation services.

c. Seasonally adjusted by the Federal Reserve Bank of Cleveland.