15 Cele

S. HRG. 102—249, PT. 42

EMPLOYMENT–UNEMPLOYMENT

HEARINGS

BEFORE THE

JOINT ECONOMIC COMMITTEE CONGRESS OF THE UNITED STATES

ONE HUNDRED SECOND CONGRESS

FIRST SESSION

PART 42

AUGUST 2, SEPTEMBER 6, AND OCTOBER 4, 1991

Printed for the use of the Joint Economic Committee

U.S. GOVERNMENT PRINTING OFFICE

WASHINGTON: 1992

For sale by the U.S. Government Printing Office
Superintendent of Documents, Congressional Sales Office, Washington, DC 20402
ISBN 0-16-037797-8

JOINT ECONOMIC COMMITTEE

[Created pursuant to Sec. 5(a) of Public Law 304, 79th Congress]

SENATE	HOUSE OF REPRESENTATIVES
PAUL S. SARBANES, Maryland, *Chairman*	LEE H. HAMILTON, Indiana, *Vice Chairman*
LLOYD BENTSEN, Texas	DAVID R. OBEY, Wisconsin
EDWARD M. KENNEDY, Massachusetts	JAMES H. SCHEUER, New York
JEFF BINGAMAN, New Mexico	FORTNEY PETE STARK, California
ALBERT GORE, Jr., Tennessee	STEPHEN J. SOLARZ, New York
RICHARD H. BRYAN, Nevada	KWEISI MFUME, Maryland
WILLIAM V. ROTH, Jr., Delaware	RICHARD K. ARMEY, Texas
STEVE SYMMS, Idaho	CHALMERS P. WYLIE, Ohio
CONNIE MACK, Florida	OLYMPIA J. SNOWE, Maine
ROBERT C. SMITH, New Hampshire	HAMILTON FISH, Jr., New York

STEPHEN A. QUICK, *Executive Director*
RICHARD F KAUFMAN, *General Counsel*
EDWARD W. GILLESPIE, *Minority Staff Director*

CONTENTS

WITNESSES, STATEMENTS, AND SUBMISSIONS
FOR THE RECORD

FRIDAY, AUGUST 2, 1991

FRIDAY, SEPTEMBER 6, 1991

[continued]

FRIDAY, SEPTEMBER 6, 1991 [continued]

FRIDAY, OCTOBER 4, 1991

JULY EMPLOYMENT SITUATION

FRIDAY, AUGUST 2, 1991

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, DC.

The Committee met, pursuant to notice, at 9:30 a.m., in room SD–628, Dirksen Senate Office Building, Honorable Paul S. Sarbanes (chairman of the Committee) presiding.

Present: Senator Sarbanes and Representative Armey.

Also present: Stephen A. Quick, Executive Director; William Buechner; Jim Klumpner; and Chris Frenze, professional staff members.

OPENING STATEMENT OF SENATOR SARBANES, CHAIRMAN

SENATOR SARBANES. The Committee will come to order.

The Joint Economic Committee convenes this morning for our regular monthly hearing on the employment and unemployment situation.

We are pleased, as always, to welcome Commissioner Janet Norwood of the Bureau of Labor Statistics and her colleagues, Mr. Plewes and Mr. Dalton, who are here this morning to present the data for July.

While the unemployment rate dropped to 6.8 from 7 percent in June, I think the statistics overall show that July was not a good month for workers, since the number of people with jobs fell as well.

Employment as measured by the household survey fell by a surprising 172,000, and the establishment survey registered a decline of 51,000 jobs.

So, the number of jobs actually went down by these numbers in the month of July.

The unemployment rate fell only because a large number of workers dropped out of the labor force, many because they were discouraged by months of futile search for new employment.

A falling unemployment rate caused by a sharp rise in labor force dropouts, in my opinion, is no evidence of a healthy economy.

I want to underscore that.

In other words, the rate is not down because the number of jobs increased. In fact, the number of jobs went down.

The rate went down because the number of people in the labor force seeking jobs dropped by substantial margins.

Declining employment is evidence that the country has not yet emerged from recession.

Today's numbers also point to a difficult path ahead for American workers.

The vast majority of economists predict that the recovery from this recession will be so weak that unemployment will remain a problem for a long time to come.

According to the Administration's mid-session review of the economic outlook, unemployment will fall much more slowly following this recession than in the past. In fact, Chairman Boskin of the Council of Economic Advisers testified before this Committee that it would be 1995 before the unemployment rate is projected to decline to the levels that prevailed before this recession began.

There is also evidence that job loss in this recession is different from past recessions. Much of the job loss in past recessions consisted of temporary layoffs. Workers could count on being recalled when the economy rebounded. But that is not true in this recession.

When you look at the increase in the number of job losers over the past year, three-quarters reported that their jobs had been permanently terminated. In other words, they were not placed on "layoff status," but were permanently terminated. This is a much larger figure than in any previous recession.

These jobs will not come back when the economy recovers and neither will those who held them.

These statistics point to the reality that the current recession is taking a heavy toll on the jobs and incomes of American workers.

Yet, despite this hardship, programs designed to provide support in hard times simply are not doing the job. More than 2.3 million workers have exhausted their regular unemployment benefits over the past 12 months without finding a new job. Because of outdated formulas, few states have triggered the mechanism for the payment of extended benefits to the long-term unemployed. In fact, only three states are now paying extended benefits to the long-term unemployed: Maine, Vermont, and Alaska.

Several states that had been receiving extended benefits have now been removed from the program, even though those states have unemployment rates well above 8 percent.

Last night, the Senate passed a bill that would provide additional weeks of unemployment benefits to the long-term unemployed. The House is scheduled to act on a similar measure today.

The Congress expects to send it to the President before we recess in August, and I hope very much that President Bush will join with the Congress in supporting this much-needed legislation to provide extended unemployment benefits for the long-term unemployed.

Commissioner, before turning to you for your testimony, I will yield to Congressman Armey for any statement he may wish to make.

OPENING STATEMENT OF REPRESENTATIVE ARMEY

REPRESENTATIVE ARMEY. Thank you, Mr. Chairman.

It is a pleasure to join in welcoming Dr. Norwood and her colleagues before the Committee this morning.

As I predicted two months ago at the employment hearing, congressional talk of antirecession policies is one of the best leading economic indicators.

Since that hearing, most economists have come to the conclusion that the recession has indeed ended.

Now, talk is one thing, and actions are another.

While we have endured months of rhetoric about the extension of unemployment benefits, there has been virtually no action.

The Senate emergency legislation was not even introduced until the middle of last week, when it was generally agreed by economists that the recession was ended. One would have to wonder if this issue has more to do with political polling data than with the latest unemployment data.

It is encouraging to note that the average and median duration of unemployment, while still high, actually declined in July. Needless to say, both average duration of unemployment and the unemployment rate are today below the Carter levels.

When Jimmy Carter left office in 1981, the average duration of unemployment was 14.3 weeks, having risen 3.9 weeks. The unemployment rate was 7.5 percent.

In the face of all this unemployment, President Carter never signed an extension of benefits, let alone an emergency extension.

I was one of the leading opponents of the budget deal of last year. I did not like it then, and I do not like it now. It was this budget deal that authorized trust funds for other purposes.

If this is such a disaster, why did leading Democrats support it in the middle of a recession? If they were so concerned about this issue last fall, they should have opposed that budget deal.

Thank you, Mr. Chairman.

SENATOR SARBANES. Commissioner, we would be happy to hear from you.

STATEMENT OF HONORABLE JANET L. NORWOOD, COMMISSIONER, BUREAU OF LABOR STATISTICS, U.S. DEPARTMENT OF LABOR: ACCOMPANIED BY KENNETH V. DALTON, ASSOCIATE COMMISSIONER, OFFICE OF PRICES AND LIVING CONDITIONS; AND THOMAS J. PLEWES, ASSOCIATE COMMISSIONER, OFFICE OF EMPLOYMENT AND UNEMPLOYMENT STATISTICS

MRS. NORWOOD. Thank you very much. We are very happy to be here.

Changes in the labor market continued to show little clear direction in July. The unemployment rate slipped back to 6.8 percent, but for the

second month in a row, there was no growth in the number of payroll jobs.

The drop in unemployment occurred primarily among adult women and blacks. For women, the change resulted from a movement of unemployed workers out of the labor force rather than into employment. The jobless rate for black workers declined to 11.8 percent but, despite this improvement, was almost twice that of whites.

The employment situation among teenagers continues to merit special attention. About 21 percent of the teenage labor force was unemployed in July, up 5 percentage points from a year ago. But their unemployment is not the full story.

Their labor force has shrunk considerably in recent years largely because of the decline in birth rates during the 1970s, but also because fewer are participating in the labor force. Last month, only half of all teenagers were working or looking for work, the lowest percentage since the early 1970s. In general, I would urge caution in interpreting the data from our household survey, since as we have discussed before this survey often shows considerable sampling variability.

It seems to me wiser to take a longer term perspective in looking at the household data. The July unemployment rate is the same as the rate for March and has shown no clear trend since then.

The number of unemployed, 8.5 million in July, was slightly less than in May and June, and about the same as in March. Labor force growth continues to be minimal and uneven, and the proportion of the working-age population that is employed has held at about 61.5 percent in recent months.

The information from our survey of business establishments also suggests a stabilization of the Nation's labor market in recent months, as payroll employment was essentially unchanged in both June and July.

The only significant movements in July were moderate declines in the number of jobs in construction and wholesale trade. Employment in the services industry was unchanged, following a combined gain of 150,000 in May and June, and job declines have stopped in retail trade, following sharp losses earlier in the recession.

Employment in manufacturing also was little changed last month, although the recent pickup in factory hours and overtime was largely sustained. Manufacturing hours are now at about the same level as a year earlier when the recession began. It may be useful to step back from the data for July to take a longer term view of labor market developments.

Although the official starting date of the recession has been designated as July 1990, by that time several industries had already reacted to the weakness that had been evident in the economy for nearly a year and a half. For example, both manufacturing and wholesale trade employment had been declining since early 1989, and construction started to decline in early 1990. Despite job losses in these industries, overall payroll employment continued to rise moderately, and the unemployment rate

remained at 5.3 percent through June 1990, one month before the official start of the recession.

Manufacturing hours had remained high despite the drop in employment, and in fact did not begin to decline until October 1990—3 months after the recession began. This was unusual since a drop in factory hours typically leads the start of economic downturns. Between the onset of the recession and early spring of this year, we experienced consistent declines in employment and increases in unemployment, with particularly sharp movements during the first quarter of 1991.

By April, 1.5 million payroll jobs had been lost, with the largest drops in construction, manufacturing, and wholesale and retail trade. The unemployment rate rose by 1.3 percentage points. The average workweek declined by half an hour. And the number of persons working part-time involuntarily rose by about 1.2 million. Statistics since the early spring show that the deterioration in the labor market has stopped, although significant job growth has yet to begin.

In summary, employment was flat for the second month in a row. The jobless rate fell back over the month. A longer term perspective, however, shows little sign of change in the number of unemployed since March.

We would be glad to try to answer any questions you may have.

[The table attached to Mrs. Norwood's statement, together with the Employment Situation press release, follows.]

Unemployment rates of all civilian workers by alternative seasonal adjustment methods

Month and year	Unadjusted rate	X-11 ARIMA method						X-11 method (official method before 1980)	Range (cols. 2-8)
		Official procedure	Concurrent (as first computed)	Concurrent (revised)	Stable	Total	Residual		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1990									
June.....	5.3	5.3	5.3	5.2	5.2	5.3	5.2	5.2	.1
July.....	5.5	5.5	5.5	5.5	5.4	5.5	5.4	5.5	.1
August.....	5.4	5.6	5.6	5.6	5.6	5.6	5.6	5.6	-
September...	5.5	5.7	5.7	5.7	5.7	5.7	5.7	5.7	-
October.....	5.4	5.7	5.7	5.8	5.7	5.7	5.7	5.7	.1
November....	5.8	5.9	5.9	5.9	6.0	5.9	5.9	5.9	.1
December....	5.9	6.1	6.1	6.1	6.1	6.1	6.1	6.1	-
1991									
January.....	7.0	6.2	6.2	6.2	6.3	6.2	6.3	6.2	.1
February....	7.2	6.5	6.5	6.5	6.6	6.6	6.6	6.5	.1
March.....	7.1	6.8	6.8	6.7	6.8	6.9	7.0	6.8	.3
April.....	6.5	6.6	6.6	6.6	6.6	6.6	6.5	6.6	.1
May.....	6.6	6.9	6.8	6.8	6.9	6.9	6.9	6.9	.1
June.....	6.9	7.0	6.9	6.9	6.8	6.9	6.9	6.9	.2

SOURCE: U.S. DEPARTMENT OF LABOR
Bureau of Labor Statistics
July 1991

(1) Unadjusted rate. Unemployment rate for all civilian workers, not seasonally adjusted.

(2) Official procedure (X-11 ARIMA method). The published seasonally adjusted rate for all civilian workers. Each of the 3 major civilian labor force components—agricultural employment, nonagricultural employment and unemployment—for 4 age-sex groups—males and females, ages 16-19 and 20 years and over—are seasonally adjusted independently using data from January 1975 forward. The data series for each of these 12 components are extended by a year at each end of the original series using ARIMA (Auto-Regressive, Integrated, Moving Average) models chosen specifically for each series. Each extended series is then seasonally adjusted with the X-11 portion of the X-11 ARIMA program. The 4 teenage unemployment and nonagricultural employment components are adjusted with the additive adjustment model, while the other components are adjusted with the multiplicative model. The unemployment rate is computed by summing the 4 seasonally adjusted unemployment components and calculating that total as a percent of the civilian labor force total derived by summing all 12 seasonally adjusted components. All the seasonally adjusted series are revised at the end of each year. Extrapolated factors for January-June are computed at the beginning of each year; extrapolated factors for July-December are computed in the middle of the year after the June data become available. Each set of 6-month factors are published in advance, in the January and July issues, respectively, of Employment and Earnings.

(3) Concurrent (as first computed, X-11 ARIMA method). The official procedure for computation of the rate for all civilian workers using the 12 components is followed except that extrapolated factors are not used at all. Each component is seasonally adjusted with the X-11 ARIMA program each month as the most recent data become available. Rates for each month of the current year are shown as first computed; they are revised only once each year, at the end of the year when data for the full year become available. For example, the rate for January 1985 would be based, during 1985, on the adjustment of data from the period January 1975 through January 1985.

(4) Concurrent (revised, X-11 ARIMA method). The procedure used is identical to (3) above, and the rate for the current month (the last month displayed) will always be the same in the two columns. However, all previous months are subject to revision each month based on the seasonal adjustment of all the components with data through the current month.

(5) Stable (X-11 ARIMA method). Each of the 12 civilian labor force components is extended using ARIMA models as in the official procedure and then run through the X-11 part of the program using the stable option. This option assumes that seasonal patterns are basically constant from year-to-year and computes final seasonal factors as unweighted averages of all the seasonal-irregular components for each month across the entire span of the period adjusted. As in the official procedure, factors are extrapolated in 6-month intervals and the series are revised at the end of each year. The procedure for computation of the rate from the seasonally adjusted components is also identical to the official procedure.

(6) Total (X-11 ARIMA method). This is one alternative aggregation procedure, in which total unemployment and civilian labor force levels are extended with ARIMA models and directly adjusted with multiplicative adjustment models in the X-11 part of the program. The rate is computed by taking seasonally adjusted total unemployment as a percent of seasonally adjusted total civilian labor force. Factors are extrapolated in 6-month intervals and the series revised at the end of each year.

(7) Residual (X-11 ARIMA method). This is another alternative aggregation method, in which total civilian employment and civilian labor force levels are extended using ARIMA models and then directly adjusted with multiplicative adjustment models. The seasonally adjusted unemployment level is derived by subtracting seasonally adjusted employment from seasonally adjusted labor force. The rate is then computed by taking the derived unemployment level as a percent of the labor force level. Factors are extrapolated in 6-month intervals and the series revised at the end of each year.

(8) X-11 method (official method before 1980). The method for computation of the official procedure is used except that the series are not extended with ARIMA models and the factors are projected in 12-month intervals. The standard X-11 program is used to perform the seasonal adjustment.

Methods of Adjustment: The X-11 ARIMA method was developed at Statistics Canada by the Seasonal Adjustment and Times Series Staff under the direction of Estela Bee Dagum. The method is described in The X-11 ARIMA Seasonal Adjustment Method, by Estela Bee Dagum, Statistics Canada Catalogue No. 12-564E, February 1980.

The standard X-11 method is described in X-11 Variant of the Census Method II Seasonal Adjustment Program, by Julius Shiskin, Allan Young and John Musgrave (Technical Paper No. 15, Bureau of the Census, 1967).

News United States Department of Labor

Bureau of Labor Statistics Washington, D.C. 20212

Technical information: (202) 523-1371
523-1944
523-1959
Media contact: 523-1913

USDL 91-382

TRANSMISSION OF MATERIAL IN THIS RELEASE IS EMBARGOED UNTIL 8:30 A.M. (EDT), FRIDAY, AUGUST 2, 1991

THE EMPLOYMENT SITUATION: JULY 1991

The unemployment rate receded from 7.0 percent in June to 6.8 percent in July, after edging up in prior months, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. Employment as measured in both the business and household surveys changed little over the month. In general, the labor market has shown no clear trend over the past few months.

Unemployment (Household Survey Data)

The number of unemployed persons eased back to 8.5 million in July (seasonally adjusted). The jobless level was still 1.6 million higher than in July 1990, when the recession began. The unemployment rate fell by two-tenths of a percentage point to 6.8 percent and stands 1.3 percentage points higher than its year-earlier level. (See table A-1.)

Jobless rates for blacks and adult women declined over the month. The rate for black workers (11.8 percent) was 1.3 percentage points lower than in June. The rate for adult women (5.4 percent) fell five-tenths of a percentage point in July, while the rate for adult men (6.5 percent) was about the same in July as it was in June. Since the beginning of the recession, the adult female rate has risen 0.7 percentage point, whereas the male rate increased by 1.6 points. The unemployment rate for teens increased to 20.6 percent in July, up 4.8 percentage points since the beginning of the recession and the highest level since October 1983. (See tables A-1 and A-2.)

The number of persons unemployed because they had lost their last jobs (as distinguished from persons who left their jobs voluntarily and searched for other jobs, and those who entered the labor force to seek work) decreased by 270,000 in July, reversing an increase in the prior month. At 5.9 million, the number of persons who were employed part time for economic reasons (often referred to as the partially unemployed) was little changed over the month but was 940,000 higher than a year earlier. (See tables A-3 and A-6.)

Total Employment and the Labor Force (Household Survey Data)

At 116.7 million, total employment was little changed in July. While 1.2 million lower than a year earlier, the series has shown no clear trend over the past 4 months. The employment-population ratio--the proportion of

Table A. Major indicators of labor market activity, seasonally adjusted

Category	Quarterly averages		Monthly data			June–July change
	1991		1991			
	I	II	May	June	July	
HOUSEHOLD DATA	Thousands of persons					
Civilian labor force..	125,013	125,511	125,232	125,629	125,214	-415
Civilian employment.	116,865	116,958	116,591	116,884	116,712	-172
Unemployment.....	8,149	8,553	8,640	8,745	8,501	-244
Not in labor force....	64,099	64,012	64,291	64,039	64,625	586
Discouraged workers.	997	981	N.A.	N.A.	N.A.	N.A.
	Percent of labor force					
Unemployment rates:						
All workers.....	6.5	6.8	6.9	7.0	6.8	-0.2
Adult men.....	6.1	6.4	6.5	6.6	6.5	-.1
Adult women.....	5.5	5.7	5.8	5.9	5.4	-.5
Teenagers.....	18.0	18.8	19.1	19.2	20.6	1.4
White.....	5.8	6.0	6.1	6.2	6.2	.0
Black.....	12.1	12.9	13.0	13.1	11.8	-1.3
Hispanic origin...	9.7	9.5	9.7	9.8	9.5	-.3
ESTABLISHMENT DATA	Thousands of jobs					
Nonfarm employment....	109,160	p108,830	108,887	p108,866	p108,815	p-51
Goods-producing 1/...	24,032	p23,810	23,847	p23,789	p23,779	p-10
Construction.....	4,770	p4,704	4,715	p4,709	p4,687	p-22
Manufacturing.....	18,549	p18,399	18,426	p18,376	p18,389	p13
Service-producing 1/	85,128	p85,020	85,040	p85,077	p85,036	p-41
Retail trade.....	19,461	p19,334	19,339	p19,340	p19,358	p18
Services.....	28,583	p28,649	28,645	p28,727	p28,705	p-22
Government.....	18,387	p18,430	18,440	p18,426	p18,416	p-10
	Hours of work					
Average weekly hours:						
Total private.....	34.2	p34.3	34.3	p34.5	p34.1	p-0.4
Manufacturing.....	40.3	p40.5	40.4	p40.8	p40.7	p-.1
Overtime.....	3.3	p3.5	3.4	p3.7	p3.7	p.0

1/ Includes other industries, not shown separately. p=preliminary.
N.A.=not available.

the working-age population with jobs--was 61.5 percent in July, about the same as in the prior 2 months but down from 62.7 percent at the start of the recession. (See table A-1.)

The labor force declined by 420,000 in July to 125.2 million, reversing an increase of similar magnitude in June. Since last July, the overall labor force has risen by only 430,000, while that for teenagers has actually declined by about 600,000. The labor force participation rate--the proportion of working-age persons either employed or actively seeking employment--was 66.0 percent in July, down slightly from a year earlier. (See table A-1.)

Industry Payroll Employment (Establishment Survey Data)

Nonfarm payroll employment was essentially unchanged in July. This was the second consecutive month of stability, following a moderate increase in May. In contrast to this recent pattern, employment had declined by about 220,000 a month, on average, during the January-April period. (See table B-1.)

The number of factory jobs was unchanged in July at 18.4 million, after declining by 50,000 in June. Employment in motor vehicles, textiles, and apparel rose, after seasonal adjustment, primarily because some temporary plant shutdowns and layoffs that usually happen at this time of year did not occur until after the survey period. These developments were largely offset by continued job losses in industrial machinery and electronic equipment and a large reduction in the volatile food processing industry.

Employment in mining was also unchanged in July for the second month in a row. Construction employment fell by 20,000, seasonally adjusted, as fewer workers than normal were hired.

Employment in each of the major industries in the service-producing sector was about unchanged in July, with the exception of wholesale trade. Declines in this industry has shown no sign of abating, as the number of jobs fell by about 20,000, almost entirely in the distribution of durable goods. In contrast, the number of retail trade jobs held about steady, but has shown limited growth since April after declining markedly over the prior 8-month period. Jobs in the services industry, which had increased in each of the prior 2 months, also were unchanged in July, even though employment in the health services component continued to increase.

Weekly Hours (Establishment Survey Data)

The average workweek for production or nonsupervisory workers on private nonfarm payrolls fell by 0.4 hour in July to 34.1 hours, seasonally adjusted. This decline essentially erased gains that had occurred in the prior 2 months. The manufacturing workweek, however, edged down by only a tenth of an hour to 40.7 hours, thus preserving most of its strong upsurge since April. Manufacturing overtime remained at 3.7 hours. (See table B-2.)

As a result of the decline in the workweek, the index of aggregate weekly hours of private production or nonsupervisory workers fell by 1.4 percent to 120.4 (1982=100) in July, seasonally adjusted. The index for manufacturing was unchanged at 102.1. Over the year, the factory index was down by 4.8 percent. (See table B-5.)

Hourly and Weekly Earnings (Establishment Survey Data)

Average hourly earnings of private production or nonsupervisory workers were about unchanged in July at $10.36, seasonally adjusted. This followed an increase of 0.5 percent in June. Due to the decline in the workweek, average weekly earnings decreased by 1.3 percent to $353.28 in July. Prior to seasonal adjustment, average hourly earnings edged down by 1 cent and average weekly earnings were down by $2.41. Over the year, average hourly earnings increased by 3.1 percent and average weekly earnings by 1.9 percent. (See tables B-3 and B-4.)

The Employment Situation for August 1991 will be released on Friday, September 6, at 8:30 A.M. (EDT).

Explanatory Note

This news release presents statistics from two major surveys, the Current Population Survey (household survey) and the Current Employment Statistics Survey (establishment survey). The household survey provides the information on the labor force, employment, and unemployment that appears in the A tables, marked HOUSEHOLD DATA. It is a sample survey of about 60,000 households that is conducted by the Bureau of the Census with most of the findings analyzed and published by the Bureau of Labor Statistics (BLS).

The establishment survey provides the information on the employment, hours, and earnings of workers on nonfarm payrolls that appears in the B tables, marked ESTABLISHMENT DATA. This information is collected from payroll records by BLS in cooperation with State agencies. The sample includes over 350,000 establishments employing over 41 million people.

For both surveys, the data for a given month are actually collected for and relate to a particular week. In the household survey, unless otherwise indicated, it is the calendar week that contains the 12th day of the month, which is called the survey week. In the establishment survey, the reference week is the pay period including the 12th, which may or may not correspond directly to the calendar week.

The data in this release are affected by a number of technical factors, including definitions, survey differences, seasonal adjustments, and the inevitable variance in results between a survey of a sample and a census of the entire population. Each of these factors is explained below.

Coverage, definitions, and differences between surveys

The sample households in the household survey are selected so as to reflect the entire civilian noninstitutional population 16 years of age and older. Each person in a household is classified as employed, unemployed, or not in the labor force. Those who hold more than one job are classified according to the job at which they worked the most hours.

People are classified as *employed* if they did any work at all as paid civilians; worked in their own business or profession or on their own farm; or worked 15 hours or more in an enterprise operated by a member of their family, whether they were paid or not. People are also counted as employed if they were on unpaid leave because of illness, bad weather, labor-management disputes, or personal reasons.

People are classified as *unemployed*, regardless of their eligibility for unemployment benefits or public assistance, if they meet all of the following criteria: They had no employment during the survey week; they were available for work at that time; and they made specific efforts to find employment sometime during the prior 4 weeks. Persons laid off from their former jobs and awaiting recall and those expecting to report to a job within 30 days need not be looking for work to be counted as unemployed.

The *civilian labor force* equals the sum of the number employed and the number unemployed. The *unemployment rate* is the number unemployed as a percent of the civilian labor force. Table A-7 presents a special grouping of seven measures of unemployment based on varying definitions of unemployment and the labor force. The definitions are provided in the table. The most restrictive definition yields U-1 and the most comprehensive yields U-7. The civilian worker unemployment rate is U-5b, while U-5a, the overall unemployment rate, includes the resident Armed Forces in the labor force base.

Unlike the household survey, the establishment survey only counts wage and salary employees whose names appear on the payroll records of nonfarm firms. As a result, there are many differences between the two surveys, among which are the following:

- The household survey, although based on a smaller sample, reflects a larger segment of the population; the establishment survey excludes agriculture, the self-employed, unpaid family workers, and private household workers;
- The household survey includes people on unpaid leave among the employed; the establishment survey does not;
- The household survey is limited to those 16 years of age and older; the establishment survey is not limited by age;
- The household survey has no duplication of individuals, because each individual is counted only once; in the establishment survey, employees working at more than one job or otherwise appearing on more than one payroll would be counted separately for each appearance.

Other differences between the two surveys are described in "Comparing Employment Estimates from Household and Payroll Surveys," which may be obtained from BLS upon request.

Seasonal adjustment

Over the course of a year, the size of the nation's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. For example, the labor force increases by a large number each June, when schools close and many young people enter the job market. The effect of such seasonal variation can be very large; over the course of a year, for example, seasonality may account for as much as 95 percent of the month-to-month changes in unemployment.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. These adjustments make nonseasonal developments, such as declines in economic activity or increases in the participation of women in the labor force, easier to spot. To return to the school's-out example, the large number of people entering the labor force each June is likely to obscure any other changes that have taken place since May, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable

change. Insofar as the seasonal adjustment is made correctly, the adjusted figure provides a more useful tool with which to analyze changes in economic activity.

Measures of labor force, employment, and unemployment contain components such as age and sex. Statistics for all employees, production workers, average weekly hours, and average hourly earnings include components based on the employee's industry. All these statistics can be seasonally adjusted either by adjusting the total or by adjusting each of the components and combining them. The second procedure usually yields more accurate information and is therefore followed by BLS. For example, the seasonally adjusted figure for the civilian labor force is the sum of eight seasonally adjusted employment components and four seasonally adjusted unemployment components; the total of unemployment is the sum of the four unemployment components; and the unemployment rate is derived by dividing the resulting estimate of total unemployment by the estimate of the civilian labor force.

The numerical factors used to make the seasonal adjustments are recalculated twice a year. For the household survey, the factors are calculated for the January-June period and again for the July-December period. For the establishment survey, updated factors for seasonal adjustment are calculated for the May-October period and introduced along with new benchmarks, and again for the November-April period. In both surveys, revisions to historical data are made once a year.

Sampling variability

Statistics based on the household and establishment surveys are subject to sampling error, that is, the estimate of the number of people employed and the other estimates drawn from these surveys probably differ from the figures that would be obtained from a complete census, even if the same questionnaires and procedures were used. In the household survey, the amount of the differences can be expressed in terms of standard errors. The numerical value of a standard error depends upon the size of the sample, the results of the survey, and other factors. However, the numerical value is always such that the chances are approximately 68 out of 100 that an estimate based on the sample will differ by no more than the standard error from the results of a complete census. The chances are approximately 90 out of 100 that an estimate based on the sample will differ by no more than 1.6 times the standard error from the results of a complete census. At approximately the 90-percent level of confidence--the confidence limits used by BLS in its analyses--the error for the monthly change in total employment is on the order of plus or minus 358,000; for total unemployment it is 224,000; and, for the civilian worker unemployment rate, it is 0.29 percentage points. These figures do not mean that the sample results are off by these magnitudes but, rather, that the chances are approximately 90 out of 100 that the "true" level or rate would not be expected to differ from the estimates by more than these amounts.

Sampling errors for monthly surveys are reduced when the data are cumulated for several months, such as quarterly or annually. Also, as a general rule, the smaller the estimate, the larger the sampling error. Therefore, relatively speaking, the estimate of the size of the labor force is subject to less error than is the estimate of the number unemployed. And, among the unemployed, the sampling error for the jobless rate of adult men, for example, is much smaller than is the error for the jobless rate of teenagers. Specifically, the error on monthly change in the jobless rate for men is .25 percentage point; for teenagers, it is 1.29 percentage points.

In the establishment survey, estimates for the most current 2 months are based on incomplete returns; for this reason, these estimates are labeled preliminary in the tables. When all the returns in the sample have been received, the estimates are revised. In other words, data for the month of September are published in preliminary form in October and November and in final form in December. To remove errors that build up over time, a comprehensive count of the employed is conducted each year. The results of this survey are used to establish new benchmarks--comprehensive counts of employment--against which month-to-month changes can be measured. The new benchmarks also incorporate changes in the classification of industries and allow for the formation of new establishments.

Additional statistics and other information

In order to provide a broad view of the nation's employment situation, BLS regularly publishes a wide variety of data in this news release. More comprehensive statistics are contained in *Employment and Earnings*, published each month by BLS. It is available for $9.50 per issue or $29.00 per year from the U.S. Government Printing Office, Washington, DC 20204. A check or money order made out to the Superintendent of Documents must accompany all orders.

Employment and Earnings also provides approximations of the standard errors for the household survey data published in this release. For unemployment and other labor force categories, the standard errors appear in tables B through J of its "Explanatory Notes." Measures of the reliability of the data drawn from the establishment survey and the actual amounts of revision due to benchmark adjustments are provided in tables M, O, P, and Q of that publication.

HOUSEHOLD DATA

Table A-1. Employment status of the civilian population by sex and age

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted[1]					
	July 1990	June 1991	July 1991	July 1990	Mar. 1991	Apr. 1991	May 1991	June 1991	July 1991
TOTAL									
Civilian noninstitutional population	188,136	189,668	189,839	188,126	189,243	189,390	189,522	189,688	189,839
Civilian labor force	128,900	127,094	127,327	124,709	125,328	125,672	125,232	125,629	125,214
Participation rate	67.5	67.0	67.1	66.3	66.2	66.4	66.1	66.2	66.0
Employed	119,954	118,280	118,751	117,882	116,754	117,398	116,981	116,884	116,712
Employment-population ratio	63.8	62.4	62.6	62.7	61.7	62.0	61.5	61.6	61.5
Agriculture	3,573	3,749	3,740	3,108	3,098	3,158	3,272	3,308	3,238
Nonagricultural industries	116,381	114,531	115,010	114,774	113,656	114,243	113,710	113,576	113,474
Unemployed	8,945	8,774	8,576	6,827	8,572	8,274	8,840	8,745	8,501
Unemployment rate	5.5	6.9	6.7	5.5	6.8	6.6	6.9	7.0	6.8
Not in labor force	61,237	62,614	62,513	63,427	63,917	63,708	64,291	64,039	64,625
Men, 16 years and over									
Civilian noninstitutional population	89,706	90,494	90,592	89,706	90,273	90,342	90,417	90,494	90,592
Civilian labor force	69,696	69,545	69,687	68,081	68,494	68,545	68,401	68,448	68,360
Participation rate	77.7	76.9	77.1	75.9	75.9	75.9	75.7	75.6	75.5
Employed	65,047	64,658	65,125	64,266	63,532	63,802	63,443	63,405	63,389
Employment-population ratio	73.8	71.5	71.9	71.6	70.4	70.6	70.2	70.1	70.0
Unemployed	3,650	4,888	4,762	3,795	4,962	4,743	4,957	5,043	5,001
Unemployment rate	5.2	7.0	6.8	5.6	7.2	6.9	7.2	7.4	7.3
Men, 20 years and over									
Civilian noninstitutional population	82,790	83,748	83,866	82,790	83,466	83,567	83,638	83,748	83,866
Civilian labor force	64,883	65,298	65,360	64,331	64,736	64,957	64,741	64,897	64,934
Participation rate	78.3	78.0	77.9	77.7	77.6	77.7	77.4	77.5	77.4
Employed	61,951	61,351	61,436	61,182	60,551	60,805	60,566	60,626	60,683
Employment-population ratio	74.8	73.3	73.3	73.9	72.5	72.8	72.4	72.4	72.4
Agriculture	2,486	2,640	2,612	2,279	2,255	2,328	2,368	2,436	2,381
Nonagricultural industries	59,464	58,711	58,827	58,883	58,296	58,577	58,198	58,187	58,302
Unemployed	2,912	3,947	3,911	3,169	4,184	4,052	4,184	4,272	4,251
Unemployment rate	4.5	6.0	6.0	4.9	6.5	6.2	6.5	6.6	6.5
Women, 16 years and over									
Civilian noninstitutional population	98,430	99,174	99,248	98,430	98,970	99,038	99,105	99,174	99,248
Civilian labor force	57,203	57,509	57,440	56,648	56,832	57,127	56,831	57,181	56,854
Participation rate	58.1	58.0	57.9	57.6	57.4	57.7	57.3	57.7	57.3
Employed	53,907	53,921	53,626	53,616	53,222	53,596	53,148	53,478	53,323
Employment-population ratio	54.8	54.1	54.0	54.5	53.8	54.1	53.6	53.9	53.7
Unemployed	3,296	3,587	3,814	3,032	3,610	3,531	3,683	3,702	3,500
Unemployment rate	5.8	6.8	6.6	5.4	6.4	6.2	6.5	6.5	6.2
Women, 20 years and over									
Civilian noninstitutional population	91,581	92,548	92,654	91,581	92,273	92,358	92,454	92,548	92,654
Civilian labor force	52,853	53,634	53,381	53,155	53,359	53,634	53,480	53,683	53,617
Participation rate	57.7	58.0	57.8	58.0	57.8	58.1	57.8	58.2	57.9
Employed	50,210	50,520	50,328	50,637	50,323	50,695	50,383	50,723	50,736
Employment-population ratio	54.8	54.6	54.3	55.3	54.5	54.9	54.5	54.8	54.8
Agriculture	676	718	692	588	607	623	633	617	601
Nonagricultural industries	49,533	49,805	49,635	50,051	49,716	50,072	49,731	50,106	50,136
Unemployed	2,644	3,113	3,055	2,518	3,035	2,939	3,117	3,160	2,879
Unemployment rate	5.0	5.8	5.7	4.7	5.7	5.5	5.8	5.8	5.4
Both sexes, 16 to 19 years									
Civilian noninstitutional population	13,784	13,374	13,320	13,784	13,504	13,456	13,432	13,374	13,320
Civilian labor force	9,183	8,122	8,596	7,223	7,232	7,081	7,011	6,850	6,862
Participation rate	66.7	60.7	64.5	52.5	53.6	52.6	52.2	51.2	50.0
Employed	7,794	6,409	6,985	6,063	5,879	5,798	5,672	5,537	5,291
Employment-population ratio	56.6	47.9	52.4	44.2	43.5	43.1	42.2	41.4	39.7
Agriculture	411	393	436	243	235	204	271	254	256
Nonagricultural industries	7,383	6,015	6,549	5,840	5,644	5,594	5,401	5,283	5,035
Unemployed	1,389	1,713	1,611	1,140	1,353	1,283	1,339	1,313	1,371
Unemployment rate	15.1	21.1	18.7	15.8	18.7	18.1	19.1	19.2	20.0

[1] The population figures are not adjusted for seasonal variation; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

Table A-2. Employment status of the civilian population by race, sex, age, and Hispanic origin

(Numbers in thousands)

Employment status, race, sex, age, and Hispanic origin	Not seasonally adjusted			Seasonally adjusted[1]					
	July 1990	June 1991	July 1991	July 1990	Mar. 1991	Apr. 1991	May 1991	June 1991	July 1991
WHITE									
Civilian noninstitutional population	160,468	161,449	161,558	160,448	161,179	161,294	161,357	161,449	161,558
Civilian labor force	108,630	108,991	109,065	107,196	107,488	107,678	107,481	107,745	107,382
Participation rate	67.9	67.5	67.5	66.8	66.7	66.8	66.6	66.7	66.5
Employed	103,814	102,358	102,475	102,189	100,870	101,465	100,944	101,098	100,760
Employment-population ratio	64.8	63.4	63.4	63.7	62.6	62.9	62.6	62.6	62.4
Unemployed	5,016	6,635	6,570	5,007	6,617	6,223	6,547	6,648	6,622
Unemployment rate	4.6	6.1	6.0	4.7	6.2	5.8	6.1	6.2	6.2
Men, 20 years and over									
Civilian labor force	56,338	56,539	56,647	55,909	56,151	56,310	56,210	56,267	56,344
Participation rate	78.8	78.4	78.3	78.2	77.9	78.1	77.9	77.9	77.8
Employed	54,219	53,568	53,595	53,566	52,828	53,179	53,005	52,982	52,980
Employment-population ratio	75.8	74.2	74.1	74.9	73.3	73.7	73.5	73.3	73.2
Unemployed	2,119	3,040	3,053	2,343	3,323	3,131	3,185	3,304	3,365
Unemployment rate	3.8	5.4	5.4	4.2	5.9	5.6	5.7	5.9	6.0
Women, 20 years and over									
Civilian labor force	44,751	45,393	45,110	45,039	45,186	45,304	45,242	45,372	45,316
Participation rate	57.3	57.8	57.4	57.6	57.7	57.8	57.7	58.0	57.7
Employed	42,844	43,063	42,792	43,229	42,662	43,189	42,902	43,213	43,137
Employment-population ratio	55.0	54.8	54.5	55.5	54.6	55.1	54.7	55.0	54.8
Unemployed	1,907	2,310	2,318	1,810	2,294	2,136	2,310	2,380	2,179
Unemployment rate	4.3	5.1	5.1	4.0	5.1	4.7	5.1	5.2	4.8
Both sexes, 16 to 19 years									
Civilian labor force	7,841	8,060	7,287	6,248	6,151	6,064	6,030	5,906	5,722
Participation rate	70.8	65.1	58.4	56.4	57.1	56.4	56.3	55.3	53.7
Employed	6,852	5,675	6,089	5,384	5,150	5,108	4,887	4,871	4,663
Employment-population ratio	61.9	53.1	57.1	48.7	47.8	47.5	46.8	45.8	43.7
Unemployed	989	1,283	1,198	854	1,001	956	1,062	1,036	1,059
Unemployment rate	12.6	16.5	16.4	13.7	16.3	15.8	17.4	17.5	18.5
Men	13.0	19.4	17.0	14.9	18.6	16.8	19.3	18.9	20.0
Women	12.2	13.3	15.8	12.4	13.7	14.7	15.4	14.9	16.8
BLACK									
Civilian noninstitutional population	21,318	21,596	21,631	21,318	21,518	21,541	21,588	21,595	21,631
Civilian labor force	13,799	13,781	13,803	13,406	13,610	13,670	13,472	13,613	13,518
Participation rate	64.7	63.7	64.3	62.9	63.3	63.5	62.5	63.0	62.5
Employed	12,168	11,914	12,192	11,884	11,934	11,948	11,727	11,837	11,822
Employment-population ratio	57.1	55.2	56.4	55.7	55.5	55.5	54.4	54.8	55.1
Unemployed	1,631	1,867	1,711	1,522	1,675	1,722	1,746	1,777	1,695
Unemployment rate	11.8	13.4	12.3	11.4	12.3	12.6	13.0	13.1	11.8
Men, 20 years and over									
Civilian labor force	6,367	6,413	6,448	6,292	6,386	6,416	6,295	6,399	6,379
Participation rate	74.7	74.1	74.3	73.9	74.1	74.2	72.8	73.9	73.5
Employed	5,707	5,640	5,717	5,618	5,672	5,647	5,475	5,584	5,638
Employment-population ratio	67.0	65.1	65.8	65.9	65.7	65.3	63.5	64.5	64.8
Unemployed	660	773	732	674	723	768	790	815	741
Unemployment rate	10.4	12.1	11.3	10.7	11.3	12.0	12.6	12.7	11.6
Women, 20 years and over									
Civilian labor force	6,342	6,423	6,424	6,336	6,388	6,478	6,458	6,463	6,418
Participation rate	59.5	59.3	59.2	59.5	59.2	60.0	59.7	59.8	59.2
Employed	5,724	5,733	5,708	5,738	5,755	5,812	5,756	5,786	5,813
Employment-population ratio	53.7	52.9	53.4	53.9	53.4	53.8	53.2	53.3	53.6
Unemployed	618	690	626	598	633	666	706	715	605
Unemployment rate	9.8	10.7	9.8	9.4	9.9	10.3	10.9	11.0	9.4
Both sexes, 16 to 19 years									
Civilian labor force	1,090	925	1,029	778	826	779	747	732	718
Participation rate	50.8	43.9	48.1	36.3	39.2	37.1	35.1	34.8	34.3
Employed	738	541	676	529	507	490	497	485	470
Employment-population ratio	34.4	25.7	32.3	24.8	24.1	23.3	23.3	23.0	22.4
Unemployed	352	384	351	250	319	289	250	247	248
Unemployment rate	32.3	41.5	34.1	32.1	38.6	37.1	33.5	33.7	34.6
Men	32.3	41.9	31.5	33.1	38.4	38.4	36.7	37.4	31.8
Women	32.3	41.0	37.0	31.1	38.8	35.7	30.1	28.9	37.4

See footnotes at end of table.

HOUSEHOLD DATA

Table A-2. Employment status of the civilian population by race, sex, age, and Hispanic origin — Continued

(Numbers in thousands)

Employment status, race, sex, age, and Hispanic origin	Not seasonally adjusted			Seasonally adjusted[1]					
	July 1990	June 1991	July 1991	July 1990	Mar. 1991	Apr. 1991	May 1991	June 1991	July 1991
HISPANIC ORIGIN									
Civilian noninstitutional population	14,317	14,751	14,790	14,317	14,632	14,672	14,711	14,751	14,790
Civilian labor force	9,832	9,882	10,051	9,638	9,666	9,738	9,695	9,737	9,834
Participation rate	68.7	67.0	68.0	67.3	66.3	66.4	65.9	66.0	66.5
Employed	9,032	8,930	9,072	8,875	8,700	8,858	8,756	8,781	8,903
Employment-population ratio	63.1	60.5	61.3	62.0	59.5	60.4	59.5	59.5	60.2
Unemployed	799	952	980	763	967	880	939	956	931
Unemployment rate	8.1	9.6	9.7	7.9	10.0	9.0	9.7	9.8	9.5

[1] The population figures are not adjusted for seasonal variation; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

NOTE: Detail for the above race and Hispanic-origin groups will not sum to totals because data for the "other races" group are not presented and Hispanics are included in both the white and black population groups.

Table A-3. Selected employment indicators

(In thousands)

Category	Not seasonally adjusted			Seasonally adjusted					
	July 1990	June 1991	July 1991	July 1990	Mar. 1991	Apr. 1991	May 1991	June 1991	July 1991
CHARACTERISTIC									
Civilian employed, 16 years and over	119,984	118,280	118,751	117,882	118,754	117,398	118,091	118,084	118,712
Married men, spouse present	40,707	40,458	40,624	40,601	40,296	40,502	40,280	40,337	40,503
Married women, spouse present	29,311	29,038	29,453	29,062	29,514	28,782	29,608	29,677	29,693
Women who maintain families	6,354	6,474	6,483	6,376	6,470	6,371	6,360	6,520	6,489
OCCUPATION									
Managerial and professional specialty	30,486	30,681	30,617	30,759	30,784	30,889	30,908	30,842	30,928
Technical, sales, and administrative support	36,756	36,392	36,106	36,499	36,295	36,515	36,233	36,283	35,891
Service occupations	16,400	16,320	16,687	15,917	15,948	15,862	15,793	16,142	16,136
Precision production, craft, and repair	14,096	13,484	13,436	13,897	13,212	13,187	13,181	13,207	13,057
Operators, fabricators, and laborers	18,180	17,245	17,645	17,668	17,051	17,150	17,188	16,974	17,184
Farming, forestry, and fishing	4,067	4,178	4,256	3,384	3,387	3,464	3,451	3,502	3,540
INDUSTRY AND CLASS OF WORKER									
Agriculture:									
Wage and salary workers	1,934	2,035	1,956	1,985	1,556	1,680	1,703	1,748	1,678
Self-employed workers	1,508	1,557	1,629	1,382	1,412	1,480	1,421	1,431	1,497
Unpaid family workers	132	157	156	100	134	96	117	115	120
Nonagricultural industries:									
Wage and salary workers	107,338	105,272	105,876	105,783	104,455	104,887	104,813	104,345	104,422
Government	17,183	17,451	17,376	17,785	17,829	18,084	17,804	17,888	17,986
Private industries	90,155	87,821	88,501	87,998	86,626	86,833	86,709	86,447	86,453
Private households	1,093	1,110	1,215	1,003	980	943	934	1,005	1,113
Other industries	89,062	86,711	87,286	86,995	85,646	85,890	85,775	85,441	85,340
Self-employed workers	9,779	9,004	8,904	8,725	9,026	9,208	8,732	8,958	8,860
Unpaid family workers	284	255	230	258	224	213	208	260	229
PERSONS AT WORK PART TIME[1]									
All industries:									
Part time for economic reasons	5,610	6,281	6,546	5,001	6,163	6,162	5,932	5,706	5,881
Slack work	2,573	3,023	3,082	2,570	3,303	3,383	3,138	3,148	3,091
Could only find part-time work	2,668	2,820	3,129	2,120	2,494	2,462	2,556	2,325	2,505
Voluntary part time	12,662	13,789	12,653	15,263	14,819	15,027	14,876	15,598	15,208
Nonagricultural industries:									
Part time for economic reasons	5,355	5,982	6,221	4,780	5,889	5,956	5,702	5,425	5,605
Slack work	2,413	2,845	2,918	2,399	3,107	3,181	2,971	2,984	2,915
Could only find part-time work	2,583	2,682	2,978	2,102	2,404	2,403	2,463	2,229	2,435
Voluntary part time	12,236	13,333	12,173	14,853	14,452	14,841	14,377	15,188	14,737

[1] Excludes persons "with a job but not at work" during the survey period for such reasons as vacation, illness, or industrial dispute.

HOUSEHOLD DATA

Table A-4. Selected unemployment indicators, seasonally adjusted

Category	Number of unemployed persons (in thousands)			Unemployment rates[1]					
	July 1990	June 1991	July 1991	July 1990	Mar. 1991	Apr. 1991	May 1991	June 1991	July 1991
CHARACTERISTIC									
Total, 16 years and over	6,827	8,745	8,501	5.5	6.8	6.6	6.9	7.0	6.8
Men, 20 years and over	3,188	4,272	4,251	4.9	6.5	6.2	6.5	6.6	6.5
Women, 20 years and over	2,318	3,190	2,979	4.7	5.7	5.5	5.8	5.9	5.4
Both sexes, 16 to 19 years	1,140	1,313	1,371	15.8	18.7	18.1	18.1	18.2	20.6
Married men, spouse present	1,405	1,968	1,823	3.3	4.5	4.4	4.4	4.7	4.3
Married women, spouse present	1,109	1,478	1,352	3.6	4.8	4.5	4.8	4.7	4.3
Women who maintain families	579	657	589	8.3	8.0	8.9	9.1	9.2	8.3
Full-time workers	5,421	7,114	7,014	5.1	6.9	6.3	6.5	6.6	6.5
Part-time workers	1,431	1,582	1,486	7.6	9.1	8.1	9.0	9.6	9.3
Labor force time loss[2]	—	—	—	6.1	7.7	7.6	7.7	7.6	7.5
OCCUPATION[3]									
Managerial and professional specialty	984	903	914	2.1	2.7	2.6	3.0	2.8	2.9
Technical, sales, and administrative support	1,553	1,880	1,846	4.1	5.3	5.2	5.3	5.2	4.9
Precision production, craft, and repair	834	1,111	1,207	5.7	7.8	7.8	8.0	7.8	8.5
Operators, fabricators, and laborers	1,578	2,202	2,031	8.2	11.2	10.8	10.2	11.5	10.6
Farming, forestry, and fishing	248	298	254	8.8	8.1	6.5	7.1	7.6	6.7
INDUSTRY									
Nonagricultural private wage and salary workers	5,163	6,877	6,589	5.5	7.2	7.0	7.2	7.4	7.1
Goods-producing industries	1,838	2,741	2,568	6.7	9.0	9.2	9.0	9.7	9.1
Mining	32	62	69	4.8	7.1	7.5	6.4	6.6	8.7
Construction	668	928	1,014	10.5	14.1	15.0	14.7	15.9	16.7
Manufacturing	1,238	1,753	1,488	5.7	7.6	7.9	7.4	8.3	7.9
Durable goods	730	1,084	876	5.7	8.2	8.3	7.7	8.4	7.9
Nondurable goods	508	669	610	5.7	6.8	6.8	7.0	7.9	6.9
Service-producing industries	3,225	4,136	4,020	5.0	6.4	6.0	6.4	6.3	6.2
Transportation and public utilities	237	356	336	3.7	5.5	5.4	5.8	5.4	5.1
Wholesale and retail trade	1,448	1,780	1,810	6.1	7.9	7.3	7.7	7.8	8.1
Finance and service industries	1,540	1,987	1,774	4.5	5.8	5.2	5.7	5.7	5.1
Government workers	507	517	515	2.6	3.7	3.2	3.2	2.8	2.8
Agricultural wage and salary workers	186	243	210	10.1	13.8	9.8	11.2	12.2	11.5

[1] Unemployment as a percent of the civilian labor force.

[2] Aggregate hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force hours.

[3] Seasonally adjusted unemployment data for service occupations are not available because the seasonal components are small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.

Table A-5. Duration of unemployment

(Numbers in thousands)

Weeks of unemployment	Not seasonally adjusted			Seasonally adjusted					
	July 1990	June 1991	July 1991	July 1990	Mar. 1991	Apr. 1991	May 1991	June 1991	July 1991
DURATION									
Less than 5 weeks	3,292	4,013	3,526	3,142	3,515	3,287	3,654	3,427	3,368
5 to 14 weeks	2,289	3,373	2,855	2,168	2,804	2,746	2,717	2,882	2,722
15 weeks and over	1,384	2,368	2,186	1,508	2,184	2,229	2,254	2,575	2,548
15 to 26 weeks	695	1,268	1,074	807	1,236	1,220	1,208	1,411	1,316
27 weeks and over	688	1,102	1,121	701	947	1,003	1,026	1,162	1,132
Average (mean) duration, in weeks	11.4	13.2	13.2	12.1	13.0	13.7	12.9	14.2	13.8
Median duration, in weeks	4.9	5.6	6.3	5.2	6.6	7.0	6.5	6.8	6.6
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	47.4	45.7	41.1	46.1	40.9	39.8	42.5	38.7	39.9
5 to 14 weeks	32.7	27.0	33.3	31.6	33.8	33.2	31.6	32.3	32.3
15 weeks and over	19.9	27.2	25.6	22.1	25.4	27.0	26.0	29.0	27.8
15 to 26 weeks	10.0	14.7	12.5	11.8	14.4	14.8	14.0	13.9	14.4
27 weeks and over	9.9	12.6	13.1	10.3	11.0	12.1	11.9	13.1	13.4

Table A-6. Reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted			Seasonally adjusted					
	July 1990	June 1991	July 1991	July 1990	Mar. 1991	Apr. 1991	May 1991	June 1991	July 1991
NUMBER OF UNEMPLOYED									
Job losers	2,968	4,324	4,339	3,145	4,703	4,528	4,657	4,868	4,598
On layoff	864	1,118	1,048	977	1,430	1,370	1,343	1,389	1,188
Other job losers	2,104	3,205	3,291	2,168	3,273	3,158	3,314	3,481	3,408
Job leavers	1,071	1,008	1,041	1,020	1,080	987	1,053	1,090	990
Reentrants	2,313	2,304	2,143	1,920	2,090	2,053	2,202	2,143	2,047
New entrants	893	1,138	1,053	677	699	741	778	741	821
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	42.7	49.3	50.8	46.5	54.9	54.5	53.8	55.1	54.4
On layoff	12.4	12.7	12.2	14.4	16.7	16.5	15.5	15.7	14.1
Other job losers	30.3	36.5	38.4	32.1	38.2	38.0	38.1	39.4	40.3
Job leavers	15.4	11.5	12.1	15.1	12.6	11.9	12.1	12.3	11.7
Reentrants	29.0	26.3	25.0	28.4	24.4	24.7	25.3	24.2	24.2
New entrants	12.9	13.0	12.3	10.0	8.2	8.9	9.0	8.4	9.7
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE									
Job losers	2.3	3.4	3.4	2.5	3.8	3.6	3.7	3.9	3.7
Job leavers	.8	.8	.8	.8	.9	.8	.8	.9	.8
Reentrants	1.8	1.8	1.7	1.5	1.7	1.6	1.8	1.7	1.6
New entrants	.7	.9	.8	.5	.6	.6	.6	.6	.7

Table A-7. Range of unemployment measures based on varying definitions of unemployment and the labor force, seasonally adjusted

(Percent)

Measure	Quarterly averages					Monthly data		
	1990			1991		1991		
	II	III	IV	I	II	May	June	July
U-1 Persons unemployed 15 weeks or longer as a percent of the civilian labor force	1.1	1.3	1.3	1.8	1.9	1.8	2.0	1.9
U-2 Job losers as a percent of the civilian labor force	2.5	2.7	3.0	3.5	3.7	3.7	3.9	3.7
U-3 Unemployed persons 25 years and over as a percent of the civilian labor force for persons 25 years and over	4.2	4.4	4.7	5.3	5.5	5.5	5.6	5.3
U-4 Unemployed full-time jobseekers as a percent of the full-time civilian labor force	5.0	5.2	5.7	6.3	6.5	6.5	6.6	6.5
U-5a Total unemployed as a percent of the labor force, including the resident Armed Forces	5.2	5.5	5.8	6.4	6.7	6.6	6.9	6.7
U-5b Total unemployed as a percent of the civilian labor force	5.3	5.6	5.9	6.5	6.8	6.9	7.0	6.8
U-6 Total full-time jobseekers plus 1/2 part-time jobseekers plus 1/2 total on part time for economic reasons as a percent of the civilian labor force less 1/2 of the part-time labor force	7.3	7.6	8.1	9.0	9.2	9.2	9.2	9.2
U-7 Total full-time jobseekers plus 1/2 part-time jobseekers plus 1/2 total on part time for economic reasons plus discouraged workers as a percent of the civilian labor force plus discouraged workers less 1/2 of the part-time labor force	8.0	8.3	8.9	9.8	10.0	N.A.	N.A.	N.A.

N.A. = not available.

HOUSEHOLD DATA

Table A-8. Unemployed persons by sex and age, seasonally adjusted

Sex and age	Number of unemployed persons (in thousands)			Unemployment rates[1]					
	July 1990	June 1991	July 1991	July 1990	Mar. 1991	Apr. 1991	May 1991	June 1991	July 1991
Total, 16 years and over	8,827	8,745	8,501	5.5	6.8	6.8	6.9	7.0	6.8
16 to 24 years	2,308	2,829	2,905	11.0	13.2	12.8	13.8	13.8	14.2
16 to 19 years	1,140	1,313	1,371	15.8	18.7	18.1	19.1	18.2	20.6
16 to 17 years	474	545	618	17.6	20.9	21.2	20.4	20.2	24.0
18 to 19 years	661	772	739	14.5	17.5	16.3	18.9	16.8	18.0
20 to 24 years	1,168	1,512	1,534	8.5	10.3	10.1	11.2	11.1	11.2
25 years and over	4,470	5,093	5,542	4.3	5.6	5.4	5.5	5.6	6.2
25 to 54 years	3,988	5,187	4,992	4.5	5.8	5.7	5.7	5.8	5.6
55 years and over	493	681	616	3.2	4.2	3.8	4.1	4.5	4.0
Men, 16 years and over	3,785	5,043	5,001	5.8	7.2	6.9	7.2	7.4	7.3
16 to 24 years	1,298	1,627	1,665	11.5	14.8	14.3	14.8	15.1	15.4
16 to 19 years	626	771	750	16.8	20.7	19.3	21.1	21.7	21.7
16 to 17 years	258	287	329	16.8	25.0	22.0	21.2	20.8	24.1
18 to 19 years	366	478	405	15.9	18.2	17.7	21.7	22.3	19.2
20 to 24 years	640	856	915	8.8	11.8	11.9	11.2	11.9	12.5
25 years and over	2,488	3,379	3,288	4.4	5.8	5.6	5.8	5.9	5.7
25 to 54 years	2,195	2,903	2,940	4.6	6.1	5.9	6.1	6.0	6.0
55 years and over	320	413	412	3.6	4.6	4.4	4.7	4.7	4.7
Women, 16 years and over	3,032	3,702	3,500	5.4	6.4	6.2	6.5	6.6	6.2
16 to 24 years	1,042	1,198	1,239	10.4	11.4	11.2	13.1	12.4	13.0
16 to 19 years	514	542	621	14.7	16.6	16.9	16.8	16.4	19.4
16 to 17 years	215	258	289	16.6	16.3	20.4	19.5	19.9	23.9
18 to 19 years	295	284	334	13.5	16.8	14.9	15.8	14.6	16.7
20 to 24 years	528	656	618	8.1	8.6	8.1	11.1	10.3	8.8
25 years and over	1,971	2,514	2,254	4.2	5.3	5.2	5.1	5.5	4.8
25 to 54 years	1,791	2,284	2,052	4.5	5.6	5.5	5.4	5.9	5.0
55 years and over	173	277	204	2.8	3.8	3.0	3.3	4.2	3.1

[1] Unemployment as a percent of the civilian labor force.

Table A-9. Employment status of male Vietnam-era veterans and nonveterans by age, not seasonally adjusted

(Numbers in thousands)

Veteran status and age	Civilian noninstitutional population		Civilian labor force							
			Total		Employed		Unemployed			
							Number		Percent of labor force	
	July 1990	July 1991	July 1990	July 1991	July 1990	July 1991	July 1990	July 1991	July 1990	July 1991
VIETNAM-ERA VETERANS										
Total, 35 years and over	7,048	7,793	6,920	7,073	6,680	6,755	241	318	3.5	4.5
35 to 49 years	6,518	6,472	6,123	6,104	5,908	5,817	215	288	3.5	4.7
35 to 39 years	1,403	1,147	1,305	1,059	1,246	980	59	80	4.5	6.4
40 to 44 years	3,300	3,108	3,130	2,933	3,023	2,814	107	119	3.4	4.1
45 to 49 years	1,815	2,217	1,688	2,102	1,639	2,024	48	78	2.8	3.7
50 years and over	1,129	1,321	798	969	772	938	26	32	3.2	3.3
NONVETERANS										
Total, 35 to 49 years	17,290	18,485	16,188	17,275	15,590	16,400	598	876	3.7	5.1
35 to 39 years	7,972	8,422	7,581	7,961	7,320	7,562	262	399	3.5	5.0
40 to 44 years	5,103	5,887	4,752	5,519	4,564	5,253	188	264	4.0	4.8
45 to 49 years	4,215	4,155	3,853	3,795	3,707	3,583	148	212	3.8	5.6

NOTE: Male Vietnam-era veterans are men who served in the Armed Forces between August 5, 1964 and May 7, 1975. Nonveterans are men who have never served in the Armed Forces. Published data are limited to those 35 to 49 years of age, the group that most closely corresponds to the bulk of the Vietnam-era veteran population.

HOUSEHOLD DATA

Table A-10. Employment status of the civilian population for 11 large states

(Numbers in thousands)

State and employment status	Not seasonally adjusted[1]			Seasonally adjusted[2]					
	July 1990	June 1991	July 1991	July 1990	Mar. 1991	Apr. 1991	May 1991	June 1991	July 1991
California									
Civilian noninstitutional population	21,961	22,403	22,447	21,961	22,281	22,321	22,363	22,403	22,447
Civilian labor force	14,965	14,824	14,961	14,731	14,666	14,740	14,655	14,753	14,725
Employed	14,115	13,633	13,769	13,955	13,542	13,644	13,530	13,545	13,609
Unemployed	850	1,191	1,193	776	1,124	1,096	1,125	1,208	1,116
Unemployment rate	5.7	8.0	8.0	5.3	7.7	7.4	7.7	8.2	7.6
Florida									
Civilian noninstitutional population	10,132	10,344	10,365	10,132	10,285	10,305	10,324	10,344	10,365
Civilian labor force	6,425	6,455	6,505	6,328	6,421	6,357	6,405	6,396	6,413
Employed	6,030	5,948	5,981	5,956	5,940	5,922	5,927	5,918	5,913
Unemployed	395	507	524	372	481	435	478	478	500
Unemployment rate	6.1	7.9	8.1	5.9	7.5	6.8	7.5	7.5	7.8
Illinois									
Civilian noninstitutional population	8,878	8,914	8,919	8,878	8,903	8,908	8,910	8,914	8,919
Civilian labor force	6,174	6,117	6,128	6,083	6,093	6,045	5,979	6,061	6,042
Employed	5,786	5,673	5,732	5,679	5,676	5,657	5,623	5,620	5,636
Unemployed	387	444	396	404	417	388	356	441	406
Unemployment rate	6.3	7.3	6.5	6.6	6.8	6.4	6.0	7.3	6.7
Massachusetts									
Civilian noninstitutional population	4,620	4,623	4,624	4,620	4,622	4,622	4,623	4,623	4,624
Civilian labor force	3,224	3,167	3,161	3,159	3,145	3,115	3,130	3,105	3,099
Employed	3,014	2,867	2,864	2,967	2,841	2,855	2,828	2,810	2,818
Unemployed	209	300	297	192	304	260	302	295	281
Unemployment rate	6.5	9.5	9.4	6.1	9.7	8.3	9.6	9.5	9.1
Michigan									
Civilian noninstitutional population	7,001	7,015	7,018	7,001	7,011	7,012	7,014	7,015	7,018
Civilian labor force	4,689	4,597	4,532	4,606	4,710	4,593	4,545	4,552	4,446
Employed	4,326	4,174	4,141	4,262	4,207	4,129	4,110	4,138	4,075
Unemployed	363	423	390	344	503	464	435	414	371
Unemployment rate	7.7	9.2	8.6	7.5	10.7	10.1	9.6	9.1	8.3
New Jersey									
Civilian noninstitutional population	6,026	6,025	6,026	6,028	6,026	6,025	6,025	6,025	6,026
Civilian labor force	4,134	4,096	4,122	4,068	3,987	4,034	3,985	4,058	4,054
Employed	3,922	3,831	3,855	3,870	3,717	3,773	3,718	3,789	3,800
Unemployed	212	265	267	198	270	261	269	269	254
Unemployment rate	5.1	6.5	6.5	4.9	6.8	6.5	6.8	6.6	6.3
New York									
Civilian noninstitutional population	13,802	13,800	13,802	13,802	13,800	13,799	13,799	13,800	13,802
Civilian labor force	8,874	8,739	8,703	8,676	8,645	8,724	8,712	8,642	8,511
Employed	8,415	8,111	8,099	8,218	8,054	8,072	8,071	7,978	7,909
Unemployed	459	627	604	458	591	652	641	664	602
Unemployment rate	5.2	7.2	6.9	5.3	6.8	7.5	7.4	7.7	7.1

See footnotes at end of table.

HOUSEHOLD DATA

Table A-10. Employment status of the civilian population for 11 large states — Continued

(Numbers in thousands)

State and employment status	Not seasonally adjusted[1]			Seasonally adjusted[2]					
	July 1990	June 1991	July 1991	July 1990	Mar. 1991	Apr. 1991	May 1991	June 1991	July 1991
North Carolina									
Civilian noninstitutional population	5,002	5,058	5,064	5,002	5,043	5,048	5,053	5,058	5,064
Civilian labor force	3,494	3,482	3,510	3,416	3,402	3,417	3,412	3,443	3,426
Employed	3,338	3,266	3,298	3,255	3,210	3,221	3,183	3,230	3,214
Unemployed	157	216	212	155	192	196	229	213	212
Unemployment rate	4.5	6.2	6.0	4.5	5.6	5.7	6.7	6.2	6.2
Ohio									
Civilian noninstitutional population	8,286	8,309	8,312	8,286	8,302	8,304	8,308	8,309	8,312
Civilian labor force	5,472	5,508	5,548	5,420	5,470	5,523	5,487	5,447	5,497
Employed	5,194	5,152	5,196	5,115	5,073	5,124	5,183	5,100	5,119
Unemployed	278	356	349	305	397	399	304	347	378
Unemployment rate	5.1	6.5	6.3	5.6	7.3	7.2	5.6	6.4	6.9
Pennsylvania									
Civilian noninstitutional population	9,390	9,411	9,415	9,390	9,405	9,407	9,409	9,411	9,415
Civilian labor force	5,974	6,024	6,051	5,678	5,822	5,960	5,959	5,948	5,952
Employed	5,664	5,618	5,625	5,577	5,389	5,537	5,510	5,543	5,534
Unemployed	310	406	426	301	433	423	450	397	418
Unemployment rate	5.2	6.7	7.0	5.1	7.4	7.1	7.7	6.7	7.0
Texas									
Civilian noninstitutional population	12,379	12,523	12,538	12,379	12,483	12,496	12,509	12,523	12,538
Civilian labor force	8,529	8,645	8,738	8,394	8,623	8,692	8,546	8,543	8,619
Employed	7,990	8,121	8,142	7,876	8,050	8,074	8,000	8,061	8,038
Unemployed	538	523	596	518	573	618	546	482	581
Unemployment rate	6.3	6.1	6.8	6.2	6.6	7.1	6.4	5.6	6.7

[1] These are the official Bureau of Labor Statistics' estimates used in the administration of Federal fund allocation programs.

[2] The population figures are not adjusted for seasonal variation; therefore, identical numbers appear in the unadjusted and the seasonally adjusted columns.

ESTABLISHMENT DATA

Table B-1. Employees on nonfarm payrolls by industry

(In thousands)

ESTABLISHMENT DATA

Industry	Not seasonally adjusted				Seasonally adjusted					
	July 1990	May 1991	June 1991p/	July 1991p/	July 1990	Mar. 1991	Apr. 1991	May 1991	June 1991p/	July 1991p/
Total	110,045	109,304	109,819	108,562	110,269	108,902	108,736	108,887	108,866	108,815
Total private	92,559	90,493	91,107	91,105	91,839	90,495	90,312	90,447	90,460	90,399
Goods-producing industries	25,287	23,829	24,093	24,024	25,027	23,877	23,794	23,847	23,789	23,779
Mining	726	705	709	712	717	714	710	706	706	703
Oil and gas extraction	400.5	395.1	398.2	399.8	397	402	400	399	397	396
Construction	5,466	4,748	4,897	4,964	5,165	4,720	4,688	4,715	4,709	4,687
General building contractors	1,377.1	1,173.0	1,211.6	1,226.9	1,309	1,196	1,184	1,177	1,172	1,166
Manufacturing	19,115	18,376	18,487	18,348	19,165	18,443	18,396	18,426	18,376	18,389
Production workers	12,956	12,389	12,495	12,377	13,028	12,424	12,405	12,429	12,416	12,445
Durable goods	11,118	10,576	10,603	10,495	11,160	10,584	10,560	10,573	10,532	10,532
Production workers	7,361	6,969	7,002	6,908	7,417	6,956	6,948	6,964	6,948	6,958
Lumber and wood products	759.9	694.8	709.8	713.6	744	692	692	697	696	698
Furniture and fixtures	500.4	480.5	481.9	471.9	511	478	481	483	482	482
Stone, clay, and glass products	564.5	522.8	528.9	526.9	556	520	521	519	519	517
Primary metal industries	755.8	720.4	722.5	713.8	742	724	723	721	718	719
Blast furnaces and basic steel products	277.5	260.5	261.0	259.6	276	262	263	261	260	258
Fabricated metal products	1,417.7	1,352.9	1,362.9	1,346.8	1,430	1,356	1,355	1,356	1,356	1,356
Industrial machinery and equipment	2,092.3	2,005.1	1,997.1	1,977.7	2,098	2,024	2,007	2,003	1,989	1,984
Electronic and other electrical equipment	1,667.2	1,592.7	1,598.2	1,579.2	1,675	1,599	1,597	1,599	1,593	1,586
Transportation equipment	1,987.1	1,872.5	1,863.4	1,842.6	2,002	1,846	1,846	1,863	1,847	1,856
Motor vehicles and equipment	812.5	789.0	786.6	775.1	826	758	756	780	771	788
Instruments and related products	1,003.6	972.1	973.1	967.1	1,004	978	976	975	969	967
Miscellaneous manufacturing	369.8	362.2	365.1	359.7	378	366	364	363	363	367
Nondurable goods	7,997	7,800	7,884	7,853	8,005	7,859	7,836	7,851	7,844	7,857
Production workers	5,595	5,420	5,493	5,469	5,611	5,468	5,455	5,465	5,468	5,485
Food and kindred products	1,702.5	1,633.5	1,676.2	1,703.6	1,665	1,679	1,673	1,677	1,676	1,665
Tobacco products	45.8	44.4	44.8	45.4	49	48	48	48	48	49
Textile mill products	682.6	664.0	668.6	663.5	692	660	660	665	665	672
Apparel and other textile products	1,010.9	1,015.0	1,026.8	1,008.9	1,041	1,009	1,005	1,013	1,018	1,031
Paper and allied products	705.4	687.0	694.3	691.5	701	693	691	690	687	687
Printing and publishing	1,573.1	1,538.8	1,534.0	1,528.0	1,577	1,548	1,542	1,540	1,533	1,531
Chemicals and allied products	1,102.4	1,084.8	1,094.8	1,091.7	1,095	1,091	1,089	1,086	1,086	1,084
Petroleum and coal products	161.2	159.1	162.1	162.6	158	158	159	159	159	159
Rubber and misc. plastics products	886.7	853.7	860.6	849.8	895	852	849	854	855	857
Leather and leather products	126.2	119.7	121.4	116.8	132	121	120	119	119	122
Service-producing industries	84,758	85,475	85,726	84,538	85,242	85,025	84,942	85,040	85,077	85,036
Transportation and public utilities	5,833	5,821	5,838	5,810	5,832	5,824	5,814	5,819	5,811	5,808
Transportation	3,541	3,560	3,574	3,529	3,560	3,569	3,564	3,556	3,549	3,547
Communications and public utilities	2,292	2,261	2,264	2,281	2,272	2,255	2,250	2,263	2,262	2,261
Wholesale trade	6,254	6,082	6,112	6,091	6,215	6,105	6,086	6,085	6,071	6,052
Durable goods	3,656	3,528	3,540	3,527	3,636	3,550	3,533	3,528	3,519	3,506
Nondurable goods	2,598	2,554	2,572	2,564	2,579	2,555	2,551	2,557	2,552	2,546
Retail trade	19,809	19,320	19,495	19,455	19,710	19,378	19,324	19,339	19,340	19,358
General merchandise stores	2,469.2	2,287.9	2,302.4	2,299.3	2,526	2,396	2,372	2,356	2,354	2,351
Food stores	3,247.5	3,205.8	3,262.4	3,254.1	3,234	3,245	3,226	3,225	3,253	3,261
Automotive dealers and service stations	2,112.4	2,035.5	2,050.7	2,064.2	2,086	2,036	2,031	2,031	2,032	2,038
Eating and drinking places	6,721.1	6,669.8	6,781.3	6,740.7	6,559	6,561	6,560	6,571	6,571	6,576
Finance, insurance, and real estate	6,838	6,710	6,771	6,790	6,745	6,735	6,718	6,712	6,702	6,697
Finance	3,332	3,280	3,302	3,311	3,303	3,297	3,292	3,287	3,282	3,281
Insurance	2,133	2,132	2,138	2,141	2,121	2,140	2,134	2,132	2,129	2,128
Real estate	1,373	1,298	1,331	1,338	1,321	1,298	1,292	1,293	1,291	1,288
Services	28,338	28,731	28,986	28,935	28,310	28,576	28,576	28,645	28,727	28,705
Business services	5,298.8	5,267.3	5,321.1	5,314.5	5,260	5,256	5,257	5,278	5,286	5,283
Health services	7,895.8	8,157.5	8,268.9	8,276.4	7,860	8,114	8,147	8,165	8,208	8,243
Government	17,486	18,811	18,512	17,437	18,430	18,407	18,424	18,440	18,426	18,416
Federal	3,200	2,961	2,981	2,988	3,162	2,951	2,953	2,952	2,951	2,950
State	4,084	4,409	4,260	4,133	4,311	4,359	4,352	4,348	4,362	4,364
Local	10,202	11,441	11,291	10,316	10,957	11,097	11,119	11,140	11,113	11,102

p/ = preliminary.

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-2. Average weekly hours of production or nonsupervisory workers1/ on private nonfarm payrolls by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	July 1990	May 1991	June 1991p/	July 1991p/	July 1990	Mar. 1991	Apr. 1991	May 1991	June 1991p/	July 1991p/
Total private	34.9	34.2	34.7	34.5	34.5	34.2	34.0	34.3	34.5	34.1
Mining	43.6	44.3	44.9	43.5	43.7	44.6	44.3	44.9	44.9	43.8
Construction	38.4	38.2	38.7	38.6	(2)	(2)	(2)	(2)	(2)	(2)
Manufacturing	40.5	40.3	40.9	40.5	40.9	40.3	40.2	40.4	40.8	40.7
Overtime hours	3.6	3.2	3.7	3.6	3.7	3.3	3.3	3.4	3.7	3.7
Durable goods	41.8	40.7	41.5	40.7	41.5	40.6	40.7	40.8	41.3	41.2
Overtime hours	3.6	3.2	3.7	3.5	3.8	3.2	3.3	3.3	3.7	3.7
Lumber and wood products	40.8	39.9	41.1	40.1	40.7	39.2	39.2	39.7	40.6	40.3
Furniture and fixtures	39.0	38.4	39.1	38.6	39.7	38.2	38.9	38.9	39.2	39.1
Stone, clay, and glass products	42.0	41.7	42.5	42.2	41.7	41.3	41.5	41.5	42.0	42.1
Primary metal industries	42.9	41.6	42.4	41.9	43.2	41.4	41.4	41.6	42.2	42.2
Blast furnaces and basic steel products	44.1	41.8	42.8	42.4	44.1	41.8	41.5	41.8	42.5	42.4
Fabricated metal products	40.9	40.8	41.5	40.7	41.7	40.6	40.7	40.8	41.3	41.4
Industrial machinery and equipment	41.6	41.1	41.8	41.2	42.0	41.5	41.5	41.2	41.7	41.6
Electronic and other electrical equipment	40.1	40.3	40.8	40.1	40.7	40.2	40.6	40.6	40.7	40.8
Transportation equipment	41.9	41.5	42.5	41.3	42.8	40.8	41.0	41.2	42.0	41.9
Motor vehicles and equipment	42.5	42.1	43.4	42.5	43.3	40.5	41.5	41.5	42.8	43.3
Instruments and related products	40.6	40.5	41.8	40.2	41.2	40.9	40.8	40.8	41.0	40.7
Miscellaneous manufacturing	38.8	39.2	39.8	38.5	39.5	39.3	39.2	39.5	39.8	39.7
Nondurable goods	39.8	39.8	40.3	39.9	40.1	39.9	39.7	39.9	40.1	40.1
Overtime hours	3.6	3.3	3.7	3.7	3.6	3.4	3.4	3.5	3.7	3.7
Food and kindred products	40.6	40.2	40.6	40.3	40.5	40.6	40.3	40.3	40.5	40.5
Tobacco products	38.6	39.0	39.9	38.2	(2)	(2)	(2)	(2)	(2)	(2)
Textile mill products	39.7	40.1	41.2	40.4	40.2	39.4	39.6	40.2	40.8	40.8
Apparel and other textile products	36.3	36.7	37.2	36.8	36.6	36.6	36.4	36.7	36.9	37.0
Paper and allied products	43.2	42.8	43.2	43.2	43.5	43.2	42.9	43.0	43.2	43.5
Printing and publishing	37.7	37.1	37.6	37.3	38.0	37.6	37.5	37.5	37.8	37.6
Chemicals and allied products	42.1	42.4	43.0	42.3	42.6	42.7	42.4	42.5	43.0	42.6
Petroleum and coal products	44.7	45.1	44.5	43.9	(2)	(2)	(2)	(2)	(2)	(2)
Rubber and misc. plastics products	40.8	40.9	41.3	40.4	41.4	40.6	40.7	40.9	41.1	41.0
Leather and leather products	37.4	37.2	38.3	37.5	37.4	37.1	37.1	37.2	37.6	37.5
Transportation and public utilities	39.5	38.6	39.1	38.6	39.1	38.6	38.4	38.8	38.9	38.1
Wholesale trade	38.3	38.1	38.4	38.1	38.1	38.1	37.9	38.2	38.3	37.9
Retail trade	29.7	28.6	29.2	29.3	28.9	28.6	28.4	28.7	28.9	28.4
Finance, insurance, and real estate	36.2	35.5	36.2	35.6	(2)	(2)	(2)	(2)	(2)	(2)
Services	32.9	32.3	32.8	32.6	32.5	32.4	32.2	32.5	32.7	32.2

1/ Data relate to production workers in mining and manufacturing; construction workers in construction; and nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approximately four-fifths of the total employees on private nonfarm payrolls.

2/ These series are not published seasonally adjusted since the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.

p = preliminary.

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers1/ on private nonfarm payrolls by industry

Industry	Average hourly earnings				Average weekly earnings			
	July 1990	May 1991	June 1991p/	July 1991p/	July 1990	May 1991	June 1991p/	July 1991p/
Total private	$9.99	$10.31	$10.31	$10.30	$348.65	$352.60	$357.76	$355.35
Seasonally adjusted	10.05	10.32	10.37	10.36	346.73	355.98	357.77	353.28
Mining	13.76	14.10	14.27	14.26	599.06	624.63	640.72	620.31
Construction	13.76	13.96	13.87	13.97	528.38	533.27	536.77	539.24
Manufacturing	10.87	11.15	11.19	11.23	440.24	449.35	457.67	452.57
Durable goods	11.38	11.70	11.76	11.80	466.58	476.19	488.04	480.26
Lumber and wood products	9.15	9.23	9.34	9.32	366.00	368.28	383.87	373.73
Furniture and fixtures	8.49	8.67	8.74	8.77	331.11	332.93	341.73	338.52
Stone, clay, and glass products	11.16	11.34	11.40	11.43	468.72	472.88	484.50	482.35
Primary metal industries	13.05	13.22	13.32	13.39	559.85	569.95	564.77	561.04
Blast furnaces and basic steel products	14.95	15.19	15.30	15.40	659.30	634.96	654.84	652.96
Fabricated metal products	10.66	11.15	11.21	11.25	446.17	454.92	465.22	457.88
Industrial machinery and equipment	11.78	12.11	12.17	12.24	490.05	497.72	508.71	504.29
Electronic and other electrical equipment	10.33	10.66	10.74	10.79	414.23	429.60	438.19	432.68
Transportation equipment	14.06	14.74	14.82	14.81	589.11	611.71	626.89	611.65
Motor vehicles and equipment	14.57	15.34	15.46	15.42	616.31	645.81	670.96	652.27
Instruments and related products	11.36	11.67	11.70	11.70	461.22	472.64	479.70	470.34
Miscellaneous manufacturing	8.60	8.85	8.88	8.89	333.68	346.92	353.42	342.27
Nondurable goods	10.18	10.41	10.43	10.50	405.16	414.32	420.33	418.95
Food and kindred products	9.66	9.93	9.92	9.89	392.20	399.19	402.75	400.55
Tobacco products	17.28	18.01	18.38	18.70	667.01	702.39	726.01	714.34
Textile mill products	8.01	8.22	8.28	8.26	318.00	329.62	341.14	333.70
Apparel and other textile products	6.57	6.73	6.78	6.80	238.49	246.99	252.22	250.24
Paper and allied products	12.36	12.65	12.65	12.81	533.95	540.56	546.48	553.39
Printing and publishing	11.25	11.59	11.64	11.53	424.13	422.57	427.86	430.07
Chemicals and allied products	13.59	14.01	14.06	14.23	572.14	594.02	606.58	601.93
Petroleum and coal products	16.23	16.89	16.84	17.02	725.48	761.74	749.38	747.18
Rubber and misc. plastics products	9.83	10.08	10.08	10.11	401.06	412.27	416.30	408.46
Leather and leather products	6.78	7.15	7.14	7.12	253.57	265.98	273.46	267.00
Transportation and public utilities	13.00	13.17	13.17	13.22	513.50	508.36	514.95	510.29
Wholesale trade	10.81	11.11	11.19	11.15	414.02	423.29	429.70	424.82
Retail trade	6.73	6.97	6.97	6.96	199.88	199.34	203.52	203.93
Finance, insurance, and real estate	9.99	10.36	10.41	10.36	361.64	367.78	376.84	368.82
Services	9.76	10.21	10.19	10.15	321.10	329.78	334.23	330.89

1/ See footnote 1, table B-2.

p = preliminary.

Table B-4. Average hourly earnings of production or nonsupervisory workers1/ on private nonfarm payrolls by industry, seasonally adjusted

Industry	July 1990	Mar. 1991	Apr. 1991	May 1991	June 1991p/	July 1991p/	Percent change from: June 1991-July 1991
Total private:							
Current dollars	$10.05	$10.24	$10.28	$10.32	$10.37	$10.36	-0.1
Constant (1982) dollars2/	7.57	7.46	7.47	7.47	7.49	N.A.	(3)
Mining	13.78	14.03	14.05	14.13	14.33	14.30	-.2
Construction	13.81	13.97	14.05	14.00	13.97	14.01	.3
Manufacturing	10.87	11.05	11.12	11.15	11.19	11.23	.4
Excluding overtime4/	10.59	10.61	10.65	10.70	10.71	10.75	.3
Transportation and public utilities	13.01	13.16	13.19	13.24	13.24	13.23	-.1
Wholesale trade	10.82	11.07	11.08	11.12	11.23	11.15	-.7
Retail trade	6.76	6.90	6.97	6.98	7.00	7.01	.1
Finance, insurance, and real estate	10.03	10.32	10.28	10.35	10.49	10.40	-.9
Services	9.88	10.13	10.16	10.24	10.29	10.27	-.2

1/ See footnote 1, table B-2.

2/ The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) is used to deflate this series.

3/ Change was 0.3 percent from May 1991 to June 1991, the latest month available.

4/ Derived by assuming that overtime hours are paid at the rate of time and one-half.

N.A. = not available.

p/ = preliminary.

1566

1766

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-9. Indexes of aggregate weekly hours of production or nonsupervisory workers1/ on private nonfarm payrolls by industry

(1982=100)

Industry	Not seasonally adjusted			Seasonally adjusted					
	July 1990	May 1991	June 1991p/	July 1991p/	July 1990	Mar. 1991	Apr. 1991	May 1991	June 1991p/	July 1991p/
Total private	126.4	120.8	124.0	122.9	124.0	120.9	120.0	121.2	122.1	120.4
Goods-producing industries	111.0	103.0	106.1	104.4	110.2	102.7	102.5	103.2	103.8	103.6
Mining	64.9	63.6	64.7	62.8	64.5	65.0	64.3	64.4	64.0	62.5
Construction	149.0	125.9	132.5	134.5	137.1	123.2	122.7	124.4	124.3	123.5
Manufacturing	105.8	100.7	103.1	100.7	107.4	100.9	100.7	101.2	102.1	102.1
Durable goods	104.6	98.4	100.6	97.5	106.8	97.8	97.9	98.4	99.4	99.5
Lumber and wood products	132.8	120.1	126.7	124.4	130.0	117.0	117.4	119.7	122.4	122.0
Furniture and fixtures	120.7	115.4	116.5	112.1	125.8	112.6	115.3	115.6	117.1	116.2
Stone, clay, and glass products	111.6	101.8	105.1	103.3	109.5	99.9	100.1	100.4	101.6	101.3
Primary metal industries	93.0	83.6	87.5	84.8	95.0	85.7	85.4	85.8	86.5	86.9
Blast furnaces and basic steel products	84.5	74.4	76.3	74.7	83.9	74.7	74.1	74.7	75.1	74.2
Fabricated metal products	106.8	100.3	102.8	98.9	109.2	99.9	100.0	100.4	101.7	101.8
Industrial machinery and equipment	96.2	90.7	91.6	88.8	97.8	92.5	91.3	90.5	90.9	90.2
Electronic and other electrical equipment	104.2	99.9	102.0	98.8	107.1	99.7	100.7	101.1	101.4	101.5
Transportation equipment	118.5	111.4	113.4	109.4	122.5	106.5	107.5	109.5	111.2	112.5
Motor vehicles and equipment	126.0	122.5	126.4	121.5	134.5	108.1	111.0	118.6	122.1	127.1
Instruments and related products	85.9	82.4	83.5	81.2	87.3	84.8	83.9	83.4	83.5	82.4
Miscellaneous manufacturing	97.3	93.6	97.9	93.1	101.9	96.9	96.3	96.2	97.4	97.4
Nondurable goods	107.5	103.9	106.6	105.2	108.4	105.2	104.5	105.2	105.9	106.1
Food and kindred products	112.6	105.9	110.6	112.7	109.5	111.0	109.6	110.0	110.7	109.7
Tobacco products	62.5	61.8	63.8	62.5	70.2	67.2	66.2	69.3	68.8	69.3
Textile mill products	96.6	96.8	98.1	95.6	98.8	92.3	93.0	95.2	96.6	97.8
Apparel and other textile products	89.8	91.5	93.9	90.3	93.5	90.5	89.8	91.2	92.2	93.9
Paper and allied products	111.5	107.7	110.1	109.6	111.6	109.7	108.6	108.8	108.9	109.7
Printing and publishing	126.8	121.1	121.4	120.6	128.6	123.5	122.8	122.1	122.5	122.2
Chemicals and allied products	104.5	101.2	103.2	101.3	104.6	103.1	102.4	101.6	102.6	101.5
Petroleum and coal products	90.8	88.5	89.5	88.6	86.7	86.5	87.0	88.6	85.7	85.6
Rubber and misc. plastics products	126.6	121.0	125.7	119.6	129.9	119.7	119.6	121.1	122.5	122.7
Leather and leather products	59.9	55.7	58.1	56.5	62.6	55.9	55.3	55.6	56.0	57.0
Service-producing industries	133.5	128.8	132.1	131.2	130.3	129.0	127.9	129.3	130.3	128.0
Transportation and public utilities	116.8	114.0	116.5	114.1	115.5	114.1	113.3	114.7	116.9	112.7
Wholesale trade	118.2	113.8	115.6	114.2	116.6	114.5	113.4	114.2	114.2	112.6
Retail trade	128.2	120.0	123.8	124.0	124.1	120.6	119.3	120.6	121.6	119.3
Finance, insurance, and real estate	123.7	118.9	122.8	121.3	120.7	119.9	118.3	119.7	121.2	118.1
Services	149.0	146.7	150.2	149.2	145.7	146.5	145.4	147.1	148.5	146.1

1/ See footnote 1, table B-2.

p = preliminary.

Table B-6. Diffusion indexes of employment change, seasonally adjusted

(Percent)

Time span	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept	Oct.	Nov.	Dec.
	Private nonfarm payrolls, 356 industries1/											
Over 1-month span:												
1989	64.5	59.0	58.7	53.9	52.7	53.8	52.9	54.6	49.2	56.6	59.6	52.1
1990	58.1	58.1	52.2	48.7	52.8	48.3	46.6	47.8	45.1	41.4	40.3	42.0
1991	38.5	36.9	38.6	38.5	51.1	p/46.2	p/50.8					
Over 3-month span:												
1989	67.6	65.2	61.1	56.2	54.5	53.9	54.9	52.5	55.9	56.0	55.8	59.1
1990	58.8	59.0	54.4	50.7	48.7	49.4	45.6	43.7	48.0	37.4	35.8	35.1
1991	31.6	30.8	30.3	38.3	p/39.7	p/49.4						
Over 6-month span:												
1989	67.7	65.0	63.3	59.0	56.5	53.4	54.5	55.9	53.8	58.1	57.9	59.1
1990	56.6	55.2	55.2	51.8	47.6	44.9	42.7	38.6	37.2	34.8	30.9	28.8
1991	26.7	31.2	p/29.8	p/33.7								
Over 12-month span:												
1989	65.3	65.2	62.2	61.5	61.5	59.6	57.6	56.7	55.8	56.0	55.5	55.6
1990	54.6	54.5	51.4	48.3	46.6	43.5	40.3	35.8	34.1	30.6	32.0	p/29.9
1991	p/30.2											
	Manufacturing payrolls, 139 industries1/											
Over 1-month span:												
1989	58.6	50.7	48.9	47.5	47.1	44.2	44.2	45.7	38.8	48.2	48.6	45.5
1990	46.0	51.1	41.4	47.8	41.7	39.6	43.2	40.3	38.8	34.5	27.3	33.8
1991	31.7	28.4	29.9	38.5	46.8	p/43.9	p/55.4					
Over 3-month span:												
1989	56.5	54.3	49.3	43.5	42.8	42.1	40.3	36.5	39.9	41.0	41.0	41.7
1990	45.0	43.2	45.0	38.1	38.1	37.4	35.6	31.3	27.0	23.0	21.6	18.5
1991	19.4	16.5	18.0	30.2	p/34.9	p/48.6						
Over 6-month span:												
1989	57.9	51.8	48.6	45.0	41.7	38.1	38.1	38.1	35.6	38.8	39.6	39.6
1990	39.9	36.7	37.1	40.3	32.4	30.6	24.1	20.5	21.2	17.5	16.2	11.9
1991	10.4	17.3	p/19.1	p/23.7								
Over 12-month span:												
1989	53.6	56.1	51.8	46.4	44.6	41.7	38.1	35.3	34.9	36.3	32.4	32.7
1990	35.3	33.5	31.3	29.5	25.2	20.9	19.8	14.0	12.9	10.1	11.2	p/10.8
1991	p/14.4											

1/ Based on seasonally adjusted data for 1-, 3-, and 6-month spans and unadjusted data for the 12-month span. Data are centered within the span.

p = preliminary.

NOTE: Figures are the percent of industries with employment increasing plus one-half of the industries with unchanged employment, where 50 percent indicates an equal balance between industries with increasing and decreasing employment.

SENATOR SARBANES. Well, thank you very much, Commissioner.

First of all let me ask, is it correct that the drop in the unemployment rate is completely attributable to the people dropping out of the labor force?

In other words, the number of jobs has gone down from last month. Is that correct?

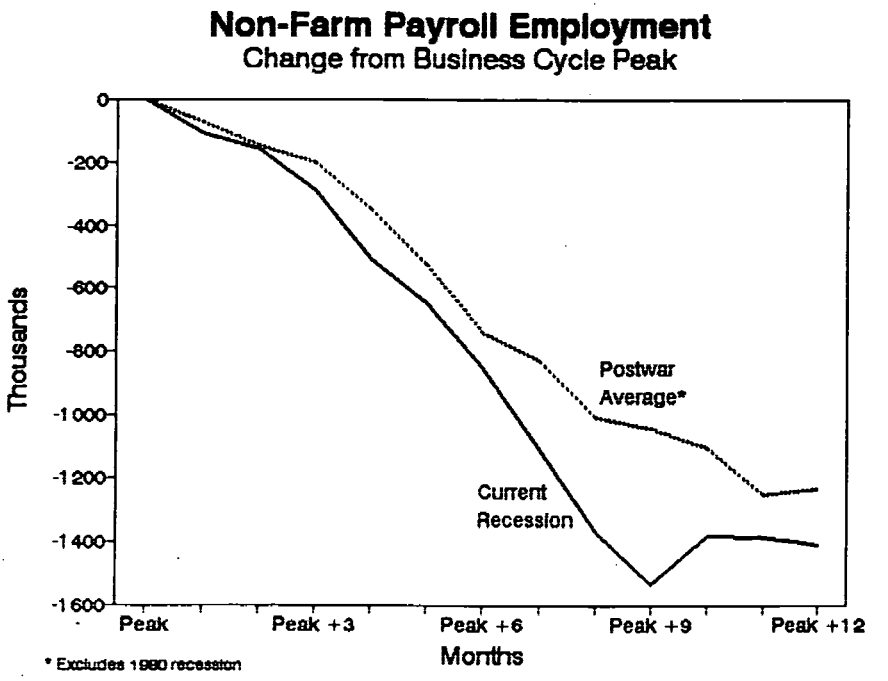
MRS. NORWOOD. It is certainly correct that the labor force declined.

The number of jobs is down a little, but that is not a statistically significant change. So, I would prefer to say that there is stability in employment.

The labor force declined, but you have to remember that the labor force increased in June and it can fluctuate quite a bit on a month-to-month basis.

As I said in my statement, there was a decline in the labor force for women, as well as a decline in the unemployment rate for women.

SENATOR SARBANES. This chart shows "Non-Farm Payroll Employment." The dotted line shows the average for the postwar recessions, and the solid line is this one [indicating].



Of course, one thing it shows is that this recession has parallelled past recessions, the average of past recessions in terms of changes in nonfarm employment. This addresses the assertion that this is a short and shallow recession. It is certainly not "short and shallow" on the basis of this comparison.

What this shows is that we had a slight increase in employment to which you referred, but now the trend has come back down again.

My difficulty, or my concern in looking at these figures, is that the unemployment rate is not going down because there are more jobs; the unemployment rate is going down because there are fewer people looking for jobs. I assume this is because they have gotten so discouraged that they have dropped out of the labor force.

That is particularly the case for women? Is that correct?

MRS. NORWOOD. Women certainly represent a disproportionate part of the discouraged workers.

The number of discouraged workers has not increased very much over the last 6 months or so, however.

There were about a million discouraged workers in June, and that is about the same as was true in January.

So, the number of discouraged workers does not seem to have increased very much. As you know, we have difficulty in measuring discouragement because it is a state of mind.

SENATOR SARBANES. Is it correct that in most recessions the number of people exhausting unemployment benefits continues to rise for a number of months after the recession ends?

MRS. NORWOOD. Certainly, the number of people who are unemployed 6 months or more—the long-term unemployed—does continue to rise for a while; and the proportion of long-term to short-term unemployment increases.

SENATOR SARBANES. Is it also possible for the unemployment rate to start down, but the number of the people exhausting their unemployment benefits and unable to find work continues to rise for a period of time?

MRS. NORWOOD. Yes. The long-term unemployed, those unemployed 6 months or more, are the last to be hired back.

They are usually the first to have been let go. They are the least skilled.

The employers will first hire back those workers that are most skilled and most important, and those are the ones they hold on to as long as they can.

SENATOR SARBANES. Let us just take this progression here for a minute.

Let us assume someone lost their job in November or December when the unemployment rate was 5.9 percent, 6.1 percent, or even earlier when it was 5.6 to 5.7 percent.

Now, these were people who had worked sufficiently on a continuous basis to draw unemployment benefits.

Under the existing arrangement, since the extended benefits have not really applied in all but a few instances, they get 26 weeks, and then that ends.

Now, someone who lost their job during this period, in a market in which the unemployment rate when they lost it was 5.7, 5.9, 6.1 percent, by now would have used up their unemployment benefits.

They would then be looking for a job in a job market, at least adjudged by the unemployment rate, that was more difficult to find a job than at the time they lost their job. Would that be correct?

MRS. NORWOOD. At least as difficult, yes.

SENATOR SARBANES. Well, if the rate has gone from 5.9 to 6.8 percent, I assume that is a more difficult environment in which to try to find a job than the environment in which you lost it. Would that not be the case?

MRS. NORWOOD. Certainly. Of course, it would also depend upon the industry and the area in which they are looking.

SENATOR SARBANES. We had a witness who testified before the Committee on July 26 on the economic outlook and made this statement:

> "In virtually all previous recessions, most of the job losses were concentrated in manufacturing industries, primarily among production workers; and layoffs, or indefinite furloughs, accounted for a large fraction of those job losses. This time around, however, job losses were spread across a larger number of industries and occupations, and a larger fraction have been accounted for by terminations rather than temporary or indefinite layoffs."

Now, our figures seem to indicate that 75 percent of the rise in job loss has been in the form of permanent terminations rather than temporary layoffs, and that this is a much higher figure than in the past recessions.

First of all, is that correct?

MRS. NORWOOD. The only data that we have on that are the number of job losers, or people who have lost their jobs because they were fired or laid off without being recalled.

If you were to assume that that is a real "termination," and I think that is a valid assumption—Mr. Plewes, can you give the Senator the number?

MR. PLEWES. Yes. I think that there is probably some confusion here.

There is a group of job losers divided into two different groups, those who are on layoff and those who are essentially not on layoff.

"Not on layoff" are in large part permanently dismissed, but there are some who are in different kinds of statuses, but we can assume that most of those workers are permanently dismissed.

This is a self-reported status. In other words, this is a person who believes that he or she is either on layoff or permanently dismissed.

So, it is not an actual fact. It bears following over time.

The number of persons on layoff in this recession versus previous recessions, such as the 1981-82 recession, is less thus far.

But you are correct that the mix is different; that the number who have reported they are on layoff is somewhat a lesser proportion of total job losers in this recession than in previous recessions.

SENATOR SARBANES. Now, when was the survey done for the unemployment figures that you reported today in July?

MRS. NORWOOD. The week containing the 12th of June.

SENATOR SARBANES. The 12th of July?

MRS. NORWOOD. I am sorry, July, yes.

SENATOR SARBANES. Now, as I understand it, the initial claims for unemployment insurance declined during the first two weeks of July from what they had been in June. Initial claims averaged 391,000.

Since then, claims have moved back up again to 425,000 in the week of July 13th, and 404,000 in the week of July 20th. I take it that these readings are after the July survey week? Is that correct?

MRS. NORWOOD. Yes. There was a holiday in there, July 4th, and these are administrative data base, and they are processed as the time permits. So, they could have been affected in that week by the holiday.

SENATOR SARBANES. You mean that the number of claims would have been understated because of the holiday?

MRS. NORWOOD. Right. Fewer people might have come in to apply, and the processing would have been affected.

SENATOR SARBANES. So, can you draw any information on whether the labor market was improving or deteriorating toward the end of July because of the rise in the jobless claims?

MRS. NORWOOD. I would not think so. In looking at those numbers, there are 400,000 or 420,000, and then it goes down to about 390,000 and comes up again to 420,000 or 400,000.

This is a massive administrative data base. It is not done with statistical precision because the purpose of the unemployment insurance claims program is to pay checks, not to develop statistics.

Therefore, I think I would be very careful about making much distinction between one week and another, unless that occurred over a period of time.

SENATOR SARBANES. In the *Wall Street Journal* on Monday of this week, there was an article entitled "Companies' Layoff Plans Contradict Economists' Belief Recession Is Over." That article contained this paragraph:

> "The recession, most economists agree, is over. So, why are some of America's biggest companies like DuPont, Digital Equipment Corporation, and Atlantic Richfield Company planning to lay off thousands of workers?"

What is the answer to that question?

MRS. NORWOOD. Well, I do not know. But I would expect that, given the experience that we have had, and given the experience that other countries are going through now, there is an expectation that recession will affect some of our major trading partners, and that many of our larger companies that depend on exports would become rather concerned about that.

In addition, I think there has been concern by U.S. companies about ensuring that their products are produced as competitively as possible, and for a long, long time now we have had a restructuring of the way in which business is done in this country, with particular emphasis on the elimination of some levels of management.

I would expect that that process would continue even if the economy were well into recovery.

SENATOR SARBANES. I would assume that these companies, which are among some of our foremost, would have done that restructuring earlier on.

It is hard for me to think that they have lagged so long in the competitive environment that they are now doing "a major restructuring."

MRS. NORWOOD. Some of them certainly have, but many of them have not yet.

SENATOR SARBANES. DuPont, Atlantic Richfield, and Digital Equipment? They are not laggards in their particular sectors as a general proposition.

MRS. NORWOOD. I do not know the specifics of those particular companies.

SENATOR SARBANES. I have just one final line, and then I am going to yield to Representative Armey.

On the 24th of July, the Bureau of Labor Statistics issued a release on Usual Weekly Earnings of Wage and Salary Workers. In that release, you reported—this was using second quarter data—that the median weekly earnings in the second quarter of 1991 were 2.7 percent above those in the second quarter of 1990. Is that correct?

MRS. NORWOOD. That is right.

SENATOR SARBANES. Now, by what percentage had the Consumer Price Index risen over that same period?

MRS. NORWOOD. I do not have that exact figure, but it was certainly more than 2.7 percent.

SENATOR SARBANES. Actually, it is here in the release. You say here in your release that it is 4.9 percent. Is that correct?

MRS. NORWOOD. Yes. That would have been my guess, in any case.

[Laughter.]

MRS. NORWOOD. I am delighted to know that it is in our release.

SENATOR SARBANES. So, the median weekly earnings for that year went up by 2.7 percent, but the inflation rate went up by 4.9 percent. Correct?

MRS. NORWOOD. That is right.

SENATOR SARBANES. So, people's position actually declined. They were worse off. They got a 2.7 percent increase in their median earnings, but the costs went up almost twice as much so that their real position worsened.

Is that correct?

MRS. NORWOOD. That is correct, but I think one needs to be concerned about how we look at that.

The other thing that our data show that has been happening is that the cost to employers of health insurance has gone up.

If the worker had to pay all of that cost, I do not know quite where that would put him, but clearly you are right that the money that was available for normal living expenses to a worker declined. On the other hand, the employer cost of fringe benefits rose.

SENATOR SARBANES. Of course, millions of workers have no health insurance at all.

MRS. NORWOOD. Data from the Current Population Survey for 1989 showed that about 19 million workers, age 16 and over, had no health insurance coverage at all during that year.

SENATOR SARBANES. None.

MRS. NORWOOD. That is correct.

SENATOR SARBANES. What part of the work force is that? Do we have any figures on what part of the work force has no health insurance?

MRS. NORWOOD. Yes, we do. In 1989, 14.6 percent of employed persons had no health insurance. A little over half of the workers had employer or union-sponsored group health plans, and about a third were covered by a relative's plan or some other source. Again, just under 15 percent had no coverage.

SENATOR SARBANES. None at all. How long has this trend in real earnings been downward—the trend that we see for this second quarter of 1990 to the second quarter of 1991?

It is my understanding that the trend has been downward for some time. Is that correct?

MRS. NORWOOD. Yes. It has been. I think that this is true for many earnings series.

SENATOR SARBANES. When you report that the median weekly earnings rose 2.7 percent—half the inflation rate—how much of the increase in the median weekly earnings was due to an increase in the median hourly wage rate, and how much was due to an increase in the median number of hours worked?

MRS. NORWOOD. I cannot partition that. Clearly, hours are high. I do not think the median earnings give us a very good handle on hours.

MR. PLEWES. We have another series called Real Earnings. This is taken from our Establishment Survey. Real Earnings are on a monthly basis. The most recent data that we have are for June 1991. The data show that average weekly earnings increased by 3.3 percent between June 1990 and June 1991.

That resulted from a 3.6 percent increase in average hourly earnings, offset by a 0.3 percent decrease in average weekly hours.

SENATOR SARBANES. OK.

MR. PLEWES. According to our real earnings report, at that point, hours went down and earnings went up by 3.6 percent. This is somewhat different than the other series that we have been talking about.

SENATOR SARBANES. The ratio of women to men's earnings has risen? Is that correct?

MRS. NORWOOD. Yes, it has. The release that you are talking about puts it at 75 percent in the second quarter.

I would prefer to wait for another quarter to be sure that it holds, but generally speaking, the proportion of women's earnings to men's has been rising over the last decade.

SENATOR SARBANES. What is the explanation for that? Is it equal pay for equal work?

MRS. NORWOOD. Well, that certainly has had an effect, but I think it is more that women are becoming better educated. They are becoming more stable members of the labor force. They are gaining more experience, and so they are becoming more like men in their work habits.

SENATOR SARBANES. Congressman Armey.

REPRESENTATIVE ARMEY. Thank you.

Just to follow up on the last point that you were making, would you suggest then that the progress that women have been making is due to what women have done for themselves rather than what the government has done for women?

MRS. NORWOOD. Oh, I think that there have been a lot of changes that have related to the way in which women handle themselves, to the way in which other people regard women, and certainly the antidiscrimination environment in which they operate.

REPRESENTATIVE ARMEY. I appreciate that. That is just obviously more of an interpretative question.

Let us go back to the numbers. I am curious—

SENATOR SARBANES. Some would say "rhetorical."

REPRESENTATIVE ARMEY. OK, "rhetorical." That is fine, too.

[Laughter.]

REPRESENTATIVE ARMEY. Speaking on behalf of my very self-sufficient and independent daughter.

[Laughter.]

REPRESENTATIVE ARMEY. How does the average duration of unemployment now compare with that of December 1980? Do you have that number?

MRS. NORWOOD. Yes. Mr. Plewes can answer that.

REPRESENTATIVE ARMEY. Keep the graph if you have it. I am just curious about that.

[Pause.]

MR. PLEWES. The average duration in weeks in December 1980 was 13.7 percent and is now 13.9 percent.

REPRESENTATIVE ARMEY. 13.7 percent in 1980. How about January?

MR. PLEWES. January 1981, sir?

REPRESENTATIVE ARMEY. Yes.

MR. PLEWES. 14.3 percent.

REPRESENTATIVE ARMEY. 14.3 percent in 1981 January. How about July 1980?

MR. PLEWES. 11.8 percent.

REPRESENTATIVE ARMEY. 11.8 percent. What about the unemployment rate in December 1980?

MR. PLEWES. 7.2 percent.

REPRESENTATIVE ARMEY. And January of 1981.

MR. PLEWES. 7.5 percent.

REPRESENTATIVE ARMEY. 7.5 percent. How about July 1980?

MR. PLEWES. July 1981, 7.2 percent.

REPRESENTATIVE ARMEY. What is the unemployment rate now?

MR. PLEWES. 6.8 percent.

REPRESENTATIVE ARMEY. 6.8 percent.

So, during all this period of time from July 1980 to the end of 1980, the unemployment rate was worse than it is now and getting worse, and at any time between July 1980 and January 1981, was there any declaration of any emergency need to extend unemployment insurance by the President?

MRS. NORWOOD. Well, you know those facts better than I. Insofar as the data are concerned, we did of course go through a very steep recession in 1981 and 1982.

REPRESENTATIVE ARMEY. But there was no declaration of an emergency by the President between July and December, was there?

MRS. NORWOOD. Not that I am aware of.

REPRESENTATIVE ARMEY. I remember this recession well. I was not in Congress at the time.

During the recession of 1980 and 1981 was there a declaration of emergency for the extension of unemployment insurance?

MRS. NORWOOD. No, I do not believe so.

REPRESENTATIVE ARMEY. There was not? Did President Reagan make a declaration?

MRS. NORWOOD. I do not know.

SENATOR SARBANES. I have to interrupt. I am going to have to go vote.

I think what I will do is, instead of adjourning the hearing, simply allow Congressman Armey to continue to go on with his questioning.

I do want to come back and address some further questions to you, Commissioner.

MRS. NORWOOD. We will be here.

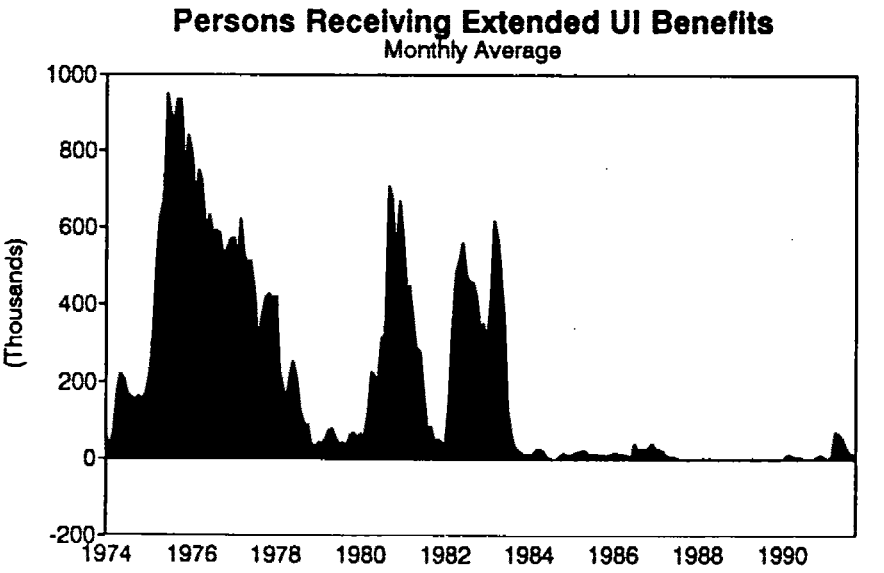
SENATOR SARBANES. I would just make the observation to Congressman Armey, as I depart, that the difference in 1980 and that period was that we had an extended benefits program that worked of its own accord.

It was not necessary for the President to take action because the system that was in place in effect provided the extended benefits, unlike the situation we now confront, where we have all these unemployed people

exhausting their benefits, and only three states are paying extended benefits.

That is vividly demonstrated on this chart that shows the increase that occurred in extended benefits in 1980, and then again in the Reagan years, and this is now what is happening on extended benefits.

You can barely see it. It is right over there. This is the amount of increase in extended benefits in this recession.



Note: Excludes Federal Supplemental Benefits and Federal Supplemental Compensation recipients.

So, that is the difference. There was no need to declare an emergency or to take action, because the system that was in place responded automatically to the situation. That is not happening now.

REPRESENTATIVE ARMEY. When did Congress change that system?

MRS. NORWOOD. Actually, there were changes that came about all through the early 1980s, beginning early in the decade. There were changes in the laws and in the administration of the laws.

REPRESENTATIVE ARMEY. All right. Even with that system in place, the extended benefits were lower in 1980, given that we have seen worse unemployment conditions, than what we are experiencing today?

MRS. NORWOOD. Of course, unemployment was much worse.

REPRESENTATIVE ARMEY. So, with this system in place, this was automatically triggered before Congress changed their system and established a trigger mechanism—correct? So, with that old system in place, we had a dearth of extended benefits during 1980, even with conditions much worse than they are now.

I am curious about how many working Americans are without health insurance.

MRS. NORWOOD. As I stated earlier, there were about 19 million workers without insurance in 1989. Those people who have difficulty in the labor market also have problems with health insurance.

REPRESENTATIVE ARMEY. Do you gather that data by the Household Survey?

MRS. NORWOOD. We have two ways of getting it. One is through the Household Survey, in which we can find out about the different demographic groups—for example, blacks or Hispanics, who tend to have greater health coverage problems.

REPRESENTATIVE ARMEY. How about age?

MRS. NORWOOD. We also have an Establishment Survey in which we find out about the numbers of people who have coverage establishment-by-establishment.

REPRESENTATIVE ARMEY. In your demographics, do we know anything about the age of these workers who are not choosing to buy insurance?

MRS. NORWOOD. I am sorry? I did not hear that.

REPRESENTATIVE ARMEY. Do we know anything about the age of the workers who choose not to buy insurance?

MRS. NORWOOD. Yes, generally young people are less likely to have coverage than older people. We can supply detailed data later.

I also have a recent survey of establishments that show the difference in benefits offered between the small and larger establishments.

About 90 percent of the employees in medium and large firms that employ 100 workers or more have health-benefit plans, and about half of them in small establishments do.

REPRESENTATIVE ARMEY. The thing that I have always been curious about is, of these people that are choosing to not buy health insurance, is there any person in America today that has no health insurance available to them. That they cannot buy it at some cost?

MRS. NORWOOD. Well, at prohibitive costs, often. The problem is that in many cases, since health benefits are secured through groups—

REPRESENTATIVE ARMEY. I understand that.

MRS. NORWOOD. Eventually, it becomes rather high.

REPRESENTATIVE ARMEY. If I were not employed in a position where I had a participating plan, I could choose to take part of the income I earn and go out and buy health insurance. Right?

MRS. NORWOOD. Yes.

REPRESENTATIVE ARMEY. And there might be two reasons why I would choose not to do so.

One, I did not think I could afford it because the rates are pushed so high because the tort laws are so lax; or, two, because I did not think I needed it as much as I needed or wanted something else.

MRS. NORWOOD. That is correct.

REPRESENTATIVE ARMEY. And I am curious about the extent to which this large number might be young people. I, for example, harp at my son, telling him, "You have got to get some health insurance." And he says, "Dad, I do not need health insurance. Look at me. I can lift a barn, and I will live forever"—a typical youthful attitude—"and there are so many more important things I want to do with that money."

MRS. NORWOOD. He also knows that he has a father that he can rely on.

REPRESENTATIVE ARMEY. Well, young people are funny that way.

But I do not want to dismiss this problem. It is a concern to me when people are going without the health-insurance coverage they need.

I am concerned for my own child. But we tend to dismiss this as a failure somehow of public policy when, for large numbers—and I would like to get some idea of how many—this is what they themselves perceive to be a rational consumption choice.

MRS. NORWOOD. We would be happy to go through the data and take a look it more closely by age. I should point out, however, that the data show clearly that blacks and Hispanics, for example—many of whom do not work in large establishments and have difficult employment histories—have less coverage than others. I would therefore believe that, at least for many of those groups, it is not just an age question.

REPRESENTATIVE ARMEY. I do understand that this is a matter of serious concern, but I also think we need to understand who are the people that are without health insurance, and for what reason they are without health insurance.

MRS. NORWOOD. We do not have information on reasons, but we can give you an age breakdown.

REPRESENTATIVE ARMEY. Well, at least demographic characteristics from which we might draw some kind of conclusions. This is obviously going to be a matter of massive public policy concern, and we need to have some better understanding of the issue. And since it was raised here earlier, I thought we ought to at least try to get some accurate demographic data on that.

Let me ask you. Did both the median and the average duration of unemployment fall in July?

MRS. NORWOOD. Yes.

MR. PLEWES. Yes.

REPRESENTATIVE ARMEY. What is the relationship between these two, and how do you interpret this fall?

MRS. NORWOOD. With great difficulty. The average duration, at a time when the economy is changing—either into recession or is flattening out or is going up—is clearly affected by the shifts between the short-term

unemployed and the long-term unemployed, which we have discussed before as typical of recession recovery. Therefore, the median is a little bit easier to explain.

REPRESENTATIVE ARMEY. The number of laid-off workers declined in July?

MRS. NORWOOD. Yes. That is right.

REPRESENTATIVE ARMEY. How much?

MR. PLEWES. It declined from 4,869,000 in June to 4,596,000 in July.

REPRESENTATIVE ARMEY. Going back to the whole question of the duration, Senator Sarbanes raised the point that had been made by an earlier witness before this Committee that one of the things that makes this recession different from what we have had in previous recessions is that there seems to be a higher proportion of the unemployed that are permanently rather than temporarily laid off.

Now, if that difference exists, would that not suggest that there is a structural event going on in the economy, as opposed to a cyclical event?

MRS. NORWOOD. Well, we talked about the restructuring that has been occurring. There seems to be some evidence that that is the case. On the other hand, some industries, like the automobile industry, are doing more temporary layoffs than they ever did before. That is one of the ways in which they are adjusting their inventory.

So, I think it depends on the industries, generally. And of course we have a much more service-oriented economy now than we did before, probably with many smaller establishments, and smaller establishments would tend to lay people off more permanently when they get into difficulty than the larger ones would.

REPRESENTATIVE ARMEY. I have never been a big fan of forecasters, but whether you are or you are not, you are always going to deal with the question of, are we in fact in a recovery from the recession, or are we not?

The forecasters tend to agree that we are in a recovery. How much confidence do the July unemployment data give us in their conclusion?

MRS. NORWOOD. I think that it is important to look at more than solely what is going on in the labor market. If you look at economic data, as a whole, mainly for the month of June, you see some very good news and some not so good news.

GNP was up for the second quarter by 4/10ths of a percent. That is good news that it is not going down. On the other hand, it is not good news that it is not up more than 4/10ths, or that one of the major reasons was the slowdown in inventory liquidation.

The leading indicators are up, and a lot of forecasters pay a good deal of attention to that.

The housing industry seems to be improving. Permits are up. Starts are up. Sales are up. But on the other hand, multiunit housing construction is near a record low.

Domestic car sales seem to be up the last few months. That is certainly very helpful.

Industrial production is up.

Capacity utilization is up.

Retail sales did not decline in June, although that also means they didn't go up, either.

Durable orders and capital goods orders are down.

Our exports were down, and that is a matter of concern to me because we do not know what is going to be happening in terms of downturns in Western Europe and other of our major trading partners.

Imports are fairly weak. You can take your pick of the data.

REPRESENTATIVE ARMEY. I have to go to the Floor, too, so we might have to go into temporary adjournment or recess.

MRS. NORWOOD. All right.

REPRESENTATIVE ARMEY. How do our unemployment rates compare with the European nations?

MRS. NORWOOD. They are generally lower. When adjusted to U.S. concepts, the civilian rate for the United States as of June is lower than in Canada and in Australia, lower than in France, lower than in the United Kingdom.

On the other hand, it is higher than in Japan and higher than in Germany and in some of the Scandinavian countries.

REPRESENTATIVE ARMEY. Well, one last question for the record.

How much money is in the Unemployment Trust Fund?

MRS. NORWOOD. I do not know.

REPRESENTATIVE ARMEY. The answer is, none. No money. Let me make this statement very clear: There is no money in the Unemployment Trust Fund. Congress spent all that money that was to be held for that Trust Fund on other things. So, that if there is an increase in unemployment benefits, extension of benefits, that has to come out of current cash flows.

This government works on a cash-flow basis, and they spend the money faster than it comes in. So, there is no way that you can get an increase in unemployment benefits, an extension of those benefits, without either borrowing more money or raising taxes.

So, I just think it needs to be said very clearly. There is no money in the Social Security Trust Fund. There is no money in the Highway Trust Fund.

No matter what fund you trusted the government to hold for you, there is no money in it, because they always spend it on other things.

So, I think we need to be very clear as we look at the idea that somehow we should declare an emergency of unemployment levels that are nowhere as severe as the conditions under which Carter declined to do so in the 1980s, on the presumption that some cache of money just needs to open up the purse strings and the money flows is not an appropriate presumption.

Couple that with the fact that in the budget summit deal—which was a rather bad deal—and the provisions of that deal, you cannot access funds without either raising a tax, cutting spending elsewhere, or borrowing money.

Thank you, again. I am sorry I have to go over to the Floor to debate this very issue, but I will then declare a recess until the Chairman comes back.

MRS. NORWOOD. Thank you, very much.

[Recess.]

SENATOR SARBANES. The Committee will come back into session.

I just have a few more questions, Commissioner. There is one thing I do want to put in the record in view of the exchange I was having with Congressman Armey when I left about why an emergency was not declared in 1980, and I pointed out that the benefits were being paid.

Actually, at that time, we had a national trigger in the country for extended benefits. As a consequence of that national trigger, all states were covered by the extended benefit program.

So, there was no need to declare the emergency because we had provided for it. Now, we find ourselves in a situation in which only three states, 3 out of the 50, are receiving extended benefits.

In fact, what is the unemployment rate? Where are those state unemployment rates in your release this morning?

MRS. NORWOOD. That is at Table——

MR. PLEWES. Table A-10, sir.

SENATOR SARBANES. A-10?

[Pause.]

MRS. NORWOOD. There is considerable variation among the states. As you know states like Maine, Michigan, Mississippi, West Virginia, and Massachusetts have been in great difficulty; a number of other fairly large areas like Florida, California, and so on have rates that are somewhat higher than the national average.

The more recent data are only for the 11 largest states. The biggest change, I believe, was Texas, which had a significant increase in the unemployment rate. It went from 5.6 to 6.7 percent.

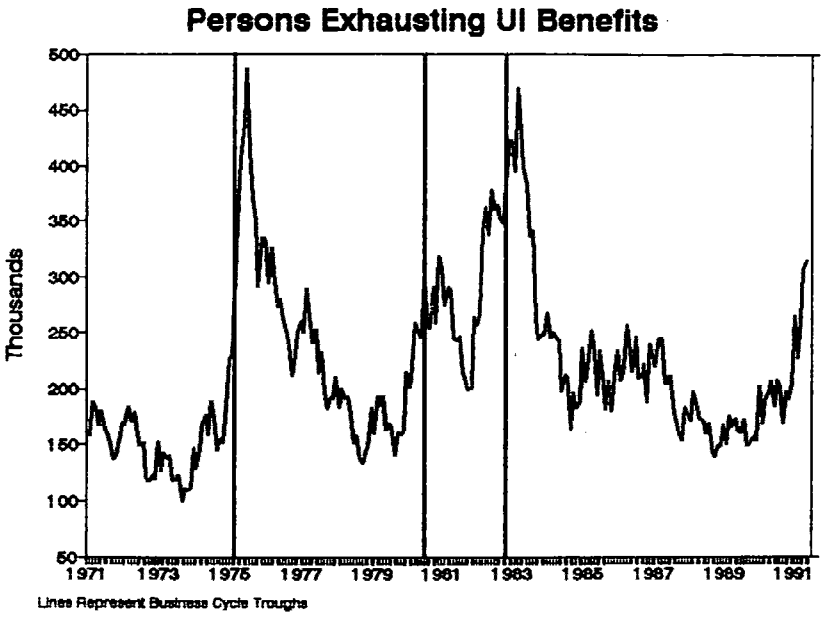
SENATOR SARBANES. Right. Commissioner, I noticed that Massachusetts is still with a 9.1 percent unemployment rate, but they triggered off of extended benefits in Massachusetts. And Michigan, which is at 8.3 percent, has also triggered off of extended benefits.

[Pause.]

Commissioner, I wanted to ask you about this chart that shows that these are the number of people exhausting their unemployment benefits. The solid lines here [indicating], and here [indicating], and here [indicating], are when each recession ended. (See chart on following page.)

What this chart shows is that, even after the recession was deemed to have ended, the number of people exhausting their benefits continued to go up in each of those instances. Of course, we are not sure yet whether

this recession has ended. But is it reasonable to assume, on the basis of this historical pattern, that when this recession ends the number of people exhausting their unemployment insurance benefits will continue to rise?



MRS. NORWOOD. The long-term unemployed continues to rise after a recession ends, for sometime thereafter. So, it is a logical assumption that if they had been unemployed for some considerable period of time, they could well exhaust their benefits.

SENATOR SARBANES. So, the human problem of addressing the situation in which people who are unemployed find themselves or their families exhausting their benefits is a problem that will increase in difficulty, at least for some limited period of time, even after the recession is over? Is that right?

MRS. NORWOOD. The long-term unemployed certainly will continue to be a problem for a while.

SENATOR SARBANES. How many people do you estimate will exhaust their benefits this fiscal year? Do you have any estimate of that?

MRS. NORWOOD. No, I do not.

SENATOR SARBANES. Now, I am concerned by the double-dip problem. You look like you are coming out of a recession, and then you go back down again before eventually coming out of it.

Our research indicates that in five of the last eight recessions we have had a single quarter of positive growth, followed by further declines. In other words, what is called the "double dip."

Now, we have just had a quarter of projected positive growth. We had 4/10ths of 1 percent in projected GNP growth in the second quarter. So, it was just barely positive.

First of all, is it correct that this double-dip phenomenon has characterized more than half of the last eight recessions?

MRS. NORWOOD. I have not looked at that very carefully, so I would prefer not to comment on it. We would be glad to do that for the record, if you would like.

I think insofar as the labor market data are concerned, often what looks like a dip is just a monthly variation, or a couple of months' variation in the numbers. There may have been more stability in unemployment than we had thought.

SENATOR SARBANES. Now, the growth in the labor force has been significantly less during this period than projected.

MRS. NORWOOD. Yes.

SENATOR SARBANES. By what order of magnitude?

MRS. NORWOOD. A very large order of magnitude. We had only about a 425,000 increase from July to July, on an unadjusted basis. That is perhaps a quarter of what we were seeing a decade ago.

Part of that, as we have discussed, is because of the lower birth rates. There are fewer teenagers. The teenage labor force declined by nearly 600,000 this year. Some of it is recession-related.

SENATOR SARBANES. How much? I know you would project a smaller labor force growth because of demographic changes.

MRS. NORWOOD. Yes. About half the growth.

SENATOR SARBANES. But my understanding is that the labor force growth has been significantly less than even your projections.

MRS. NORWOOD. Yes.

SENATOR SARBANES. If the labor force had growth by what was projected, what would be the unemployment rate?

MR. PLEWES. We believe that, all things being equal, it would have been somewhere around 7.2 or 7.3 percent. I did not calculate it this month, but that is what we came up with last month—7.3 percent on the basis of a comparison with 7.0 percent.

SENATOR SARBANES. What we see is that in the 1981 recession the participation rate in the civilian labor force under the Household Survey went up 2/10ths of a point.

MRS. NORWOOD. Yes.

SENATOR SARBANES. In this recession, it has gone down 3/10ths of a point.

MRS. NORWOOD. That is right.

SENATOR SARBANES. I take it that going down is a rather unique phenomenon in a recession?

MRS. NORWOOD. Yes. We have discussed that a bit. It is related in part to the teenagers whose labor force participation rates are down, and to women who, for the first time in several decades, have not had an increasing participation rate.

SENATOR SARBANES. Now the teenagers, is that simply that they are persuaded that there is no work out there and have not gone looking?

MRS. NORWOOD. It is probably several things. Part of it is that the recession has now affected those industries that normally hire teenagers. Retail trade has not done very well. That is a place where many teenagers find jobs.

Some of the services industries are not doing as well as they had been before, so there are fewer jobs out there that traditionally have been filled by teenagers.

Part of it is that there is a recession, so many of the teenagers are finding other activities. Some of them are going to school. There are fewer government jobs, as well, for teenagers. We have had a cutback generally in government hiring over a long period of time now.

SENATOR SARBANES. What about the women? Do the statistics show that a large number of women have suddenly and voluntarily decided to forego working? Or do they show that poor labor market conditions made a job search difficult, if not futile, and therefore discouraged them?

MRS. NORWOOD. There is some controversy over how to interpret the reduction in labor force participation of women. Two issues have been raised. One is discouragement because of the recession. The other is that many women have postponed child bearing, and that they are changing their minds about that.

My guess is that it is probably very much economic driven. This may seem a very good time for women, knowing there are no jobs available, to remain at home, and some of them, we know, are having children because the birth rates for some age groups are going up.

SENATOR SARBANES. Well, Commissioner, I thank you and your colleagues.

I just want to close with this statement. I think that it is still imperative that we move to addressing this problem of the long-term unemployed and to those who have exhausted their benefits.

As these charts indicate, the number of people who exhaust their benefits will continue to rise after a recession is over. We are not certain this recession is over, but even if it is, the number will continue to go up.

People have used up their 26 weeks of benefits. They are not drawing the 13 weeks of extended benefits, as is the case in past recessions. The Congress is now in the process of passing legislation to send to the President that will require the President to agree with a congressional judgment that this is an emergency, and we need to use the money in the

Extended Benefit Trust Fund for the purpose for which it was paid, and that is to pay these benefits.

This Trust Fund has an enormous surplus in it. This was the surplus in 1990. We continue to build up a surplus in the Trust Fund in a recession. The employers have been paying these taxes in order to pay extended benefits in a recession period.

Not only are we not paying the benefits, we are taking in more during a recession than we are actually paying out. The Congress has called on the President in effect to go ahead and use these balances for the purpose for which they were intended, and to provide extended unemployment insurance benefits for the millions of workers who have either exhausted or are about to exhaust their benefits, and are going to find themselves unable to provide for their family.

Now, it is asserted by Mr. Darman that this violates the Budget Agreement. It does not do that. The Budget Agreement, in fact, provided for declarations of emergency. It established a specific procedure to do so.

The President has himself initiated the use of that procedure on a number of occasions this year in order to send money to the Kurds, to Bangladesh, Israel, Turkey, Ethiopia, and Sudan. And, in each instance, when the President came to the Congress, the Congress concurred in his request that this represented an emergency, that it should be taken outside of the Budget Agreement, and that the funds should be provided.

The Congress is now saying to the President that we think we have an emergency here at home to meet the needs of the unemployed, people who were working, the working people. You do not collect unemployment insurance if you do not have a continuous employment record that qualifies you for unemployment insurance.

We are getting letters from workers; it is tragic to read them. For many of them, because of the changing nature of this recession, they are experiencing unemployment for the first time. They have never had this experience before. They have had a continuous work history, and all of a sudden they find themselves in very dire straits.

We are also getting letters from employers who are saying, "we have been paying these taxes in to build up this surplus for the purpose of paying these extended benefits when our economy runs into hard times, and our workers, through no fault of their own, are terminated or laid off, and that these monies ought to be used for the purpose for which they are intended."

It is our very strongly held view that we have an emergency here at home and that the President, who has perceived emergencies abroad in order to invoke this budget process, should perceive an emergency here at home, in order to invoke this budget process and make these extended unemployment insurance benefits available to millions of American workers and their families, who find themselves in very difficult circumstances.

We are getting tragic reports of people losing their homes, losing their cars, of intense family stress and strain, as a consequence of what has occurred.

Now, I expect that by today or tomorrow that this legislation will be sent to the President. All that will remain then is for the President to declare it an emergency for extended unemployment benefits to begin to flow to millions of American workers.

Well, Commissioner, we thank you and your colleagues very much.

The hearing is adjourned.

[Whereupon, at 10: 49 a.m., the Committee adjourned, subject to the call of the Chair.]

AUGUST EMPLOYMENT SITUATION

FRIDAY, SEPTEMBER 6, 1991

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, DC.

The Committee met, pursuant to notice, at 9:30 a.m., in room SD–628, Dirksen Senate Office Building, Honorable Paul S. Sarbanes (chairman of the Committee) presiding.

Present: Senators Sarbanes and Sasser.

Also present: William Buechner, professional staff member.

OPENING STATEMENT OF SENATOR SARBANES, CHAIRMAN

SENATOR SARBANES. The Committee will come to order.

The Joint Economic Committee is pleased this morning to welcome Commissioner Janet Norwood and her associates, Messers. Plewes and Dalton. Commissioner Norwood and her colleagues are here to testify on the employment and unemployment data for August.

This morning's data and other data in recent weeks, in my judgment, provide no convincing evidence that a sustained recovery from the recession is under way, contrary to a lot of assertions that are being made by a number of people around town.

Of most concern is the fact that employment, as measured by the household survey, fell by almost 300,000 in August, although the size of the labor force fell by 310,000. Increases both in unemployment and withdrawal from the labor market are not evidence of recovery. Let me repeat that: Increases in both unemployment and in withdrawal from the labor market are not evidence of recovery.

For months, the Administration has been singing this siren song that the recession is short and shallow and the recovery is just around the corner. Yet, the latest revision in the GNP data from the Commerce Department shows that the decline in the economy continued well into the summer of this year. August marks the thirteenth month since the economy began a downturn in July 1990, and there is still no conclusive evidence that the recession is over. Only two recessions in the postwar period have lasted longer than this one, the 16-month-long recession of 1973-75, and the equally long 16-month recession of 1981-82.

Currently, more than eight-and-a-half million people are unemployed. Except for the 1981-82 recession, more people are unemployed now than at any time in the past 50 years. More than a million of these eight-and-a-half million unemployed have been without work for six months or longer, mostly workers who had held jobs and lost them during this recession.

One family out of every ten has someone in the family circle who has been unemployed during this recession. There are others who are also hurting. Almost a million people have given up searching for work because of the lack of jobs. More than five-and-a-half million are working part-time because there are no full-time jobs.

If these categories—those who have given up the search for work and those that are working part time because there are no full-time jobs—are added to the official unemployment rate, the rate rises to 10 percent. It is important to understand that these people want full-time jobs; they can't find them, so they have settled for what they can get.

Despite some recent pickup of activity in the manufacturing sector, most economists expect the economy to remain weak for a considerable period. The September 9th issue of *Business Week* contains an editorial titled "This Factory Rebound Isn't Built To Last," which raises the possibility that consumer spending will not be strong enough to sustain the recent increase in factory orders. Another *Business Week* editorial has the headline, "Even the Fed is Getting Nervous About This Recovery." The editorial says, and I quote:

> Last month's job data looked more like an economy in recession than in recovery. The numbers not only confirm that the upturn is laboring, they fuel concern that the rebound could fizzle out by yearend.

Our biggest concern right now, as it has been in recent months, is the long-term unemployed who have exhausted their unemployment benefits. More than a million people report being unemployed for 26 weeks or more, which is the maximum amount of time for drawing basic unemployment insurance benefits in almost every state. Each month, hundreds of thousands of people exhaust their benefits, and that number will continue to rise even after the economy begins to recover.

A month ago, the Congress sent President Bush a bill that would extend unemployment insurance benefits by 4 to 20 weeks, depending on the severity of the unemployment situation in the particular state; from 4 to 20 weeks for those who had exhausted the regular benefits. Unfortunately, and I deeply regret this, the President chose not to find an emergency and fund this program.

This failure to come to the aid of American families stands in sharp contrast to the President's ability to find emergencies in the course of this year when it was a question of sending humanitarian assistance abroad.

Those of us in Congress who have fought for extending benefits to the unemployed are not prepared to drop this issue. And when Congress

returns next week, we expect again to work on sending a proposal to the President for signature with respect to the extension of benefits.

Following the hearing this morning with Commissioner Norwood, the Joint Economic Committee will conduct a second hearing that will help document the serious problem of long-term unemployment in today's weakened economy. At that second hearing, which will take place immediately upon the conclusion of this first hearing, we will hear from Isaac Shapiro of the Center on Budget and Policy Priorities, who has recently done a study that indicates that the people who have exhausted regular unemployment benefits and are not eligible for further assistance reached an all-time record in the month of July. We will also hear from four formerly employed people now unemployed; people who have lost their jobs and have either exhausted or are about to exhaust their benefits. They will explain the human dimensions of this situation, as it confronts millions of Americans across the country.

We will now ask Commissioner Norwood and her colleagues to present their testimony on the August employment and unemployment situation. Commissioner, as always, we are pleased to have you and your colleagues back before the Committee.

STATEMENT OF HON. JANET L. NORWOOD, COMMISSIONER, BUREAU OF LABOR STATISTICS, U.S. DEPARTMENT OF LABOR: ACCOMPANIED BY KENNETH V. DALTON, ASSOCIATE COMMISSIONER, OFFICE OF PRICES AND LIVING DONDITIONS; AND THOMAS J. PLEWES, ASSOCIATE COMMISSIONER, OFFICE OF EMPLOYMENT AND UNEMPLOYMENT STATISTICS

MRS. NORWOOD. Thank you very much, Mr. Chairman.

Ken Dalton, Tom Plewes, and I are, as always, pleased to be here to have the opportunity to comment on the data we released this morning.

Labor market conditions in August continued to lack clear direction. The unemployment rate was unchanged at 6.8 percent, and the number of employed persons on business payrolls was little changed after a small decline in July.

Although unemployment for some worker groups has shown some month-to-month volatility, no group has experienced any definitive improvement or deterioration over the last few months. In addition, we have not yet seen any substantial change in the key measures of unemployment duration. The number of newly unemployed—those jobless less than five weeks—was 3.4 million in August and has not varied much since January. Long-term unemployment was also unchanged in August; 1.2 million have been unemployed for more than a half year.

Of the eight-and-a-half million unemployed workers in August, a little more than half had lost their last job. About one-third had entered or reentered the labor force to search for jobs after a period of absence.

The striking fact in the household survey data is the continued lack of labor force growth. The August labor force level was about 725,000

below that of June and only marginally above its level of a year earlier. This sluggish labor force growth results primarily from declines among teenagers and a reduced inflow of adult women.

For teens whose population has been shrinking for many years, a noticeable decrease in participation has also occurred. Meanwhile, women's labor-force participation has been stagnant, in stark contrast to the historical increases in their labor-market activity.

Participation rates for adult men have been down slightly, due almost entirely to reduced participation of those aged 55 and over.

The most encouraging development in the August data was a rise in factory employment, which was coupled with an increase in the factory workweek. The number of jobs in manufacturing rose by 42,000 over the month. Gains over the last two months now total nearly 70,000.

The fact that employment in auto manufacturing was unchanged is encouraging, because it means that the large July gain was sustained. In addition, two auto-related industries—fabricated metals, and rubber and plastics—had sizeable August increases.

The increase in factory hours is quite a welcome sign. The average workweek has risen seven-tenths of an hour over the last four months. At 40.9 hours, it is now at the same level as before the recession began.

August also brought some job growth in the services industry, which added nearly 60,000 jobs. Some 25,000 of them were in business services, an industry which often reflects trends in other business activity. Unfortunately, however, employment in several other important industries has yet to show any signs of recovery. The construction industries had small job losses over the last three months. Similarly, mining has had a six-month string of job declines that now total 21,000, with losses in both oil and gas extraction and in coal mining. In addition, wholesale trade lost 18,000 jobs in August. This industry has not had even a small monthly gain in over a year. And employment in retail trade has been hovering around 19 million since this spring, after having declined by nearly 400,000 earlier in the recession.

We are also beginning to see the effects on employment of financial problems of many state and local governments. Since May, state and local government payrolls have been pared by some 100,000 jobs.

In summary the unemployment rate held steady in August at 6.8 percent. Overall, employment changed very little. Although some industries continue to experience job losses, job gains did occur in manufacturing and the services industry, and the factory workweek increased.

We'd be glad to answer any questions you may have.

[The table attached to Mrs. Norwood's statement, together with the Employment Situation press release, follows:]

Unemployment rates of all civilian workers by alternative seasonal adjustment methods

Month and year	Unadjusted rate	X-11 ARIMA method							X-11 method (official method before 1980)	Range (cols. 2-9)
		Official procedure	Concurrent (as first computed)	Concurrent (revised)	Stable	Total	Residual	12-month extrapolation		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1990										
August.....	5.4	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	-
September...	5.5	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7	-
October.....	5.4	5.7	5.7	5.8	5.7	5.7	5.7	5.7	5.7	.1
November....	5.8	5.9	5.9	5.9	6.0	5.9	5.9	5.9	5.9	.1
December....	5.9	6.1	6.1	6.1	6.1	6.1	6.1	6.1	6.1	-
1991										
January.....	7.0	6.2	6.2	6.2	6.3	6.2	6.3	6.2	6.2	.1
February....	7.2	6.5	6.5	6.5	6.6	6.6	6.6	6.5	6.5	.1
March.....	7.1	6.8	6.8	6.7	6.8	6.9	7.0	6.8	6.8	.3
April.....	6.5	6.6	6.6	6.6	6.6	6.6	6.5	6.6	6.6	.1
May.....	6.6	6.9	6.8	6.8	6.9	6.9	6.9	6.9	6.9	.1
June.....	6.9	7.0	6.9	6.9	6.8	6.9	6.9	7.0	6.9	.2
July.....	6.7	6.8	6.8	6.8	6.8	6.7	6.7	6.8	6.8	.1
August.....	6.5	6.8	6.8	6.8	6.8	6.7	6.7	6.8	6.8	.1

SOURCE: U.S. DEPARTMENT OF LABOR
Bureau of Labor Statistics
September 1991

News United States Department of Labor

Bureau of Labor Statistics Washington, D.C. 20212

Technical information: (202) 523-1371
523-1944
523-1959
Media contact: 523-1913

USDL 91-438

TRANSMISSION OF MATERIAL IN THIS RELEASE IS EMBARGOED UNTIL 8:30 A.M. (EDT), FRIDAY, SEPTEMBER 6, 1991

THE EMPLOYMENT SITUATION: AUGUST 1991

The nation's employment situation was little changed in August, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. Following a decline from 7.0 to 6.8 percent in July, the unemployment rate held steady in August. Payroll employment showed little movement over the month, as gains in manufacturing and services were nearly offset by declines in other industries. Weekly hours rebounded from the July drop.

Unemployment (Household Survey Data)

After edging downward in July, the unemployment rate, 6.8 percent, and the number of unemployed, 8.5 million, were unchanged in August. The unemployment rate has shown little sustained movement in recent months and remains 1.3 percentage points higher than it was in July 1990, when the recession began. Over the 13-month period, the number of jobless persons rose by 1.7 million. (See table A-1.)

While the overall jobless rate remained steady in August, there were changes for adult women and teenagers. The women's rate rose three-tenths of a percentage point to 5.7 percent, following a decline of five-tenths in July. The rate for teenagers declined by 1.6 percentage points, reversing a similar increase in July. The jobless rate for adult men (6.5 percent) was unchanged in August, and rates for whites (6.1 percent), blacks (12.3 percent), and Hispanics (9.9 percent) changed little over the month. (See tables A-1 and A-2.)

The number of unemployed who had lost their last jobs, at 4.7 million, was little changed in August. They accounted for 55.4 percent of the total unemployed, up from 46.5 percent in July 1990. The median duration of unemployment was 7.2 weeks in August, up about half a week over the month and 2 weeks from the onset of the recession in July 1990. Long-term unemployment (15 weeks and over) rose by more than 800,000 in the past 13 months. (See tables A-5 and A-6.)

Total Employment and the Labor Force (Household Survey Data)

Total employment fell by about 300,000 to 116.4 million in August. The number of employed persons was 1.5 million lower than it was in July 1990. The proportion of the working-age population with jobs (the

Table A. Major indicators of labor market activity, seasonally adjusted

Category	Quarterly averages		Monthly data			July-Aug. change
	1991		1991			
	I	II	June	July	Aug.	
HOUSEHOLD DATA	Thousands of persons					
Civilian labor force	125,013	125,511	125,629	125,214	124,904	-310
Employment	116,865	116,958	116,884	116,712	116,416	-296
Unemployment	8,149	8,553	8,745	8,501	8,488	-13
Not in labor force	64,099	64,012	64,039	64,625	65,069	444
Discouraged workers	997	981	N.A.	N.A.	N.A.	N.A.
	Percent of labor force					
Unemployment rates:						
All workers	6.5	6.8	7.0	6.8	6.8	.0
Adult men	6.1	6.4	6.6	6.5	6.5	.0
Adult women	5.5	5.7	5.9	5.4	5.7	0.3
Teenagers	18.0	18.8	19.2	20.6	19.0	-1.6
White	5.8	6.0	6.2	6.2	6.1	-.1
Black	12.1	12.9	13.1	11.8	12.3	.5
Hispanic origin	9.7	9.5	9.8	9.5	9.9	.4
ESTABLISHMENT DATA	Thousands of jobs					
Nonfarm employment	109,160	108,836	108,885	p108,812	p108,846	p34
Goods-producing 1/	24,032	23,811	23,792	p23,792	p23,816	p24
Construction	4,770	4,704	4,710	p4,689	p4,677	p-12
Manufacturing	18,549	18,400	18,378	p18,403	p18,445	p42
Service-producing 1/	85,128	85,025	85,093	p85,020	p85,030	p10
Retail trade	19,461	19,336	19,345	p19,343	p19,328	p-15
Services	28,583	28,644	28,712	p28,729	p28,786	p57
Government	18,387	18,440	18,456	p18,387	p18,356	p-31
	Hours of work					
Average weekly hours:						
Total private	34.2	34.3	34.6	p34.1	p34.4	p0.3
Manufacturing	40.3	40.5	40.8	p40.7	p40.9	p.2
Overtime	3.3	3.5	3.7	p3.7	p3.8	p.1

1/ Includes other industries, not shown separately. p=preliminary.
N.A.=not available.

employment-population ratio) declined to 61.3 percent in August, down by 1.4 percentage points over the past 13 months. (See table A-1.)

The labor force declined by 310,000 in August to 124.9 million, following a decrease of 415,000 in July. Over the past year, the labor force has shown very little growth, and the teenage component has actually declined by 580,000, reflecting reductions in both their population and rate of labor force participation. The overall labor force participation rate--the proportion of the working-age population either employed or actively seeking employment--was 65.7 percent in August, down half a percentage point from a year earlier. Over this one-year period, the participation rate for teenagers has dropped by 2.8 percentage points, and there have also been small declines for both adult men (concentrated among those 55 and over) and women (those 20-34 years of age).

Industry Payroll Employment (Establishment Survey Data)

Nonfarm payroll employment was basically unchanged in August. Job gains in manufacturing and services were largely offset by declines in other industries, particularly trade and government.

Manufacturing employment increased by 42,000, with gains occurring in both durable and nondurable goods industries. Within durables, the most notable increase came in fabricated metals, which has regained 16,000 jobs since April, mainly in response to increased auto production. Similarly, rubber and plastics within nondurable goods has added 15,000 jobs since April, also mostly in support of the auto industry. Elsewhere in nondurables, there were over-the-month gains in the volatile food processing industry, as well as in paper and chemicals. Additionally, recent employment increases in autos, textiles, and apparel were sustained in August. There were, however, further small declines in mining and construction, resulting in little over-the-month change in the goods-producing sector as a whole. (See table B-1.)

In the service-producing sector, there was essentially no net job growth in August, as offsetting movements occurred within some of the component industries. The services industry added 57,000 jobs and has gained 210,000 since resuming growth in May. In August, health services continued its large monthly gains and business services showed renewed strength. By contrast, wholesale trade employment continued to decline, losing another 18,000 jobs in August. This industry has lost 165,000 jobs in the last year. In addition, government payrolls continued to feel the effects of the financial difficulties in many jurisdictions. State and local governments have lost 100,000 jobs since May.

Weekly Hours (Establishment Survey Data)

The average workweek for production or nonsupervisory workers on private nonfarm payrolls increased by 0.3 hour in August, following a decline of 0.5 hour in July. The workweek has been rather volatile throughout this year. In manufacturing, the workweek rose two-tenths of an hour to 40.9 hours, its highest level in nearly a year and 0.7 hour above its lowpoint in April. Overtime hours in manufacturing increased by a tenth of an hour to 3.8 hours. (See table B-2.)

The index of aggregate weekly hours of private production or nonsupervisory workers increased by 0.7 percent to 121.5 (1982=100) in August, after seasonal adjustment. The index for manufacturing was up 0.8 percent to 103.1. The manufacturing index has increased in each of the last 4 months but was still 3.6 percent below the level of August 1990. (See table B-5.)

Hourly and Weekly Earnings (Establishment Survey Data)

Average hourly earnings of private production or nonsupervisory workers were up 0.4 percent in August to $10.40, seasonally adjusted. Average weekly earnings increased by 1.3 percent to $357.76, largely due to the increase in average weekly hours. Before seasonal adjustment, average hourly earnings were unchanged, and average weekly earnings rose by $2.06. Over the year, average hourly earnings increased by 3.2 percent and average weekly earnings by 2.9 percent. (See tables B-3 and B-4.)

The Employment Situation for September 1991 will be released on Friday, October 4, at 8:30 A.M. (EDT).

Explanatory Note

This news release presents statistics from two major surveys, the Current Population Survey (household survey) and the Current Employment Statistics Survey (establishment survey). The household survey provides the information on the labor force, employment, and unemployment that appears in the A tables, marked HOUSEHOLD DATA. It is a sample survey of about 60,000 households that is conducted by the Bureau of the Census with most of the findings analyzed and published by the Bureau of Labor Statistics (BLS).

The establishment survey provides the information on the employment, hours, and earnings of workers on nonfarm payrolls that appears in the B tables, marked ESTABLISHMENT DATA. This information is collected from payroll records by BLS in cooperation with State agencies. The sample includes over 350,000 establishments employing over 41 million people.

For both surveys, the data for a given month are actually collected for and relate to a particular week. In the household survey, unless otherwise indicated, it is the calendar week that contains the 12th day of the month, which is called the survey week. In the establishment survey, the reference week is the pay period including the 12th, which may or may not correspond directly to the calendar week.

The data in this release are affected by a number of technical factors, including definitions, survey differences, seasonal adjustments, and the inevitable variance in results between a survey of a sample and a census of the entire population. Each of these factors is explained below.

Coverage, definitions, and differences between surveys

The sample households in the household survey are selected so as to reflect the entire civilian noninstitutional population 16 years of age and older. Each person in a household is classified as employed, unemployed, or not in the labor force. Those who hold more than one job are classified according to the job at which they worked the most hours.

People are classified as *employed* if they did any work at all as paid civilians; worked in their own business or profession or on their own farm; or worked 15 hours or more in an enterprise operated by a member of their family, whether they were paid or not. People are also counted as employed if they were on unpaid leave because of illness, bad weather, labor-management disputes, or personal reasons.

People are classified as *unemployed*, regardless of their eligibility for unemployment benefits or public assistance, if they meet all of the following criteria: They had no employment during the survey week; they were available for work at that time; and they made specific efforts to find employment sometime during the prior 4 weeks. Persons laid off from their former jobs and awaiting recall and those expecting to report to a job within 30 days need not be looking for work to be counted as unemployed.

The *civilian labor force* equals the sum of the number employed and the number unemployed. The *unemployment rate* is the number unemployed as a percent of the civilian labor force. Table A-7 presents a special grouping of seven measures of unemployment based on varying definitions of unemployment and the labor force. The definitions are provided in the table. The most restrictive definition yields U-1 and the most comprehensive yields U-7. The civilian worker unemployment rate is U-5b, while U-5a, the overall unemployment rate, includes the resident Armed Forces in the labor force base.

Unlike the household survey, the establishment survey only counts wage and salary employees whose names appear on the payroll records of nonfarm firms. As a result, there are many differences between the two surveys, among which are the following:

- The household survey, although based on a smaller sample, reflects a larger segment of the population; the establishment survey excludes agriculture, the self-employed, unpaid family workers, and private household workers;
- The household survey includes people on unpaid leave among the employed; the establishment survey does not;
- The household survey is limited to those 16 years of age and older; the establishment survey is not limited by age;
- The household survey has no duplication of individuals, because each individual is counted only once; in the establishment survey, employees working at more than one job or otherwise appearing on more than one payroll would be counted separately for each appearance.

Other differences between the two surveys are described in "Comparing Employment Estimates from Household and Payroll Surveys," which may be obtained from BLS upon request.

Seasonal adjustment

Over the course of a year, the size of the nation's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. For example, the labor force increases by a large number each June, when schools close and many young people enter the job market. The effect of such seasonal variation can be very large; over the course of a year, for example, seasonality may account for as much as 95 percent of the month-to-month changes in unemployment.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. These adjustments make nonseasonal developments, such as declines in economic activity or increases in the participation of women in the labor force, easier to spot. To return to the school's-out example, the large number of people entering the labor force each June is likely to obscure any other changes that have taken place since May, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable

chance. Insofar as the seasonal adjustment is made correctly, the adjusted figure provides a more useful tool with which to analyze changes in economic activity.

Measures of labor force, employment, and unemployment contain components such as age and sex. Statistics for all employees, production workers, average weekly hours, and average hourly earnings include components based on the employer's industry. All these statistics can be seasonally adjusted either by adjusting the total or by adjusting each of the components and combining them. The second procedure usually yields more accurate information and is therefore followed by BLS. For example, the seasonally adjusted figure for the civilian labor force is the sum of eight seasonally adjusted employment components and four seasonally adjusted unemployment components; the total for unemployment is the sum of the four unemployment components; and the unemployment rate is derived by dividing the resulting estimate of total unemployment by the estimate of the civilian labor force.

The numerical factors used to make the seasonal adjustments are recalculated twice a year. For the household survey, the factors are calculated for the January-June period and again for the July-December period. For the establishment survey, updated factors for seasonal adjustment are calculated for the May-October period and introduced along with new benchmarks, and again for the November-April period. In both surveys, revisions to historical data are made once a year.

Sampling variability

Statistics based on the household and establishment surveys are subject to sampling error, that is, the estimate of the number of people employed and the other estimates drawn from these surveys probably differ from the figures that would be obtained from a complete census, even if the same questionnaires and procedures were used. In the household survey, the amount of the differences can be expressed in terms of standard errors. The numerical value of a standard error depends upon the size of the sample, the results of the survey, and other factors. However, the numerical value is always such that the chances are approximately 68 out of 100 that an estimate based on the sample will differ by no more than the standard error from the results of a complete census. The chances are approximately 90 out of 100 that an estimate based on the sample will differ by no more than 1.6 times the standard error from the results of a complete census. At approximately the 90-percent level of confidence--the confidence limits used by BLS in its analyses--the error for the monthly change in total employment is on the order of plus or minus 358,000; for total unemployment it is 224,000; and, for the civilian worker unemployment rate, it is 0.19 percentage points. These figures do not mean that the sample results are off by these magnitudes but, rather, that the chances are approximately 90 out of 100 that the "true" level or rate would not be expected to differ from the estimates by more than these amounts.

Sampling errors for monthly surveys are reduced when the data are cumulated for several months, such as quarterly or annually. Also, as a general rule, the smaller the estimate, the larger the sampling error. Therefore, relatively speaking, the estimate of the size of the labor force is subject to less error than is the estimate of the number unemployed. And, among the unemployed, the sampling error for the jobless rate of adult men, for example, is much smaller than is the error for the jobless rate of teenagers. Specifically, the error on monthly change in the jobless rate for men is .25 percentage point; for teenagers, it is 1.29 percentage points.

In the establishment survey, estimates for the most current 2 months are based on incomplete returns; for this reason, these estimates are labeled preliminary in the tables. When all the returns in the sample have been received, the estimates are revised. In other words, data for the month of September are published in preliminary form in October and November and in final form in December. To remove errors that build up over time, a comprehensive count of the employed is conducted each year. The results of this survey are used to establish new benchmarks--comprehensive counts of employment--against which month-to-month changes can be measured. The new benchmarks also incorporate changes in the classification of industries and allow for the formation of new establishments.

Additional statistics and other information

In order to provide a broad view of the nation's employment situation, BLS regularly publishes a wide variety of data in this news release. More comprehensive statistics are contained in *Employment and Earnings*, published each month by BLS. It is available for $9.50 per issue or $29.00 per year from the U.S. Government Printing Office, Washington, DC 20204. A check or money order made out to the Superintendent of Documents must accompany all orders.

Employment and Earnings also provides approximations of the standard errors for the household survey data published in this release. For unemployment and other labor force categories, the standard errors appear in tables B through J of its "Explanatory Notes." Measures of the reliability of the data drawn from the establishment survey and the actual amounts of revision due to benchmark adjustments are provided in tables M, O, P, and Q of that publication.

Table A-1. Employment status of the civilian population by sex and age

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted[1]					
	Aug. 1990	July 1991	Aug. 1991	Aug. 1990	Apr. 1991	May 1991	June 1991	July 1991	Aug. 1991
TOTAL									
Civilian noninstitutional population	188,261	189,639	189,973	188,261	189,380	189,522	189,688	189,838	189,973
Civilian labor force	125,012	127,327	126,097	124,705	125,672	125,232	125,629	125,214	124,904
Participation rate	66.9	67.1	66.4	66.2	66.4	66.1	66.2	66.0	65.7
Employed	119,174	118,751	117,858	117,690	117,398	116,981	116,884	116,712	116,416
Employment-population ratio	63.3	62.6	62.0	62.5	62.0	61.5	61.6	61.5	61.3
Agriculture	3,473	3,740	3,607	3,152	3,156	3,272	3,308	3,239	3,288
Nonagricultural industries	115,702	115,010	114,253	114,538	114,243	113,319	113,576	113,474	113,150
Unemployed	6,837	8,576	8,237	7,015	8,274	8,640	8,745	8,501	8,488
Unemployment rate	5.4	6.7	6.5	5.6	6.6	6.9	7.0	6.8	6.8
Not in labor force	62,250	62,313	63,877	63,556	63,708	64,291	64,059	64,625	65,068
Men, 16 years and over									
Civilian noninstitutional population	89,765	90,562	90,658	89,765	90,342	90,417	90,494	90,592	90,658
Civilian labor force	69,125	69,887	69,100	68,077	68,545	68,401	68,448	68,380	68,210
Participation rate	77.0	77.1	76.2	75.8	75.9	75.7	75.6	75.5	75.2
Employed	65,604	65,125	64,698	64,188	63,802	63,443	63,405	63,288	63,226
Employment-population ratio	73.1	71.9	71.4	71.5	70.6	70.2	70.1	70.0	69.9
Unemployed	3,521	4,762	4,402	3,889	4,743	4,957	5,043	5,091	4,982
Unemployment rate	5.1	6.8	6.4	5.7	6.9	7.2	7.4	7.5	7.2
Men, 20 years and over									
Civilian noninstitutional population	82,882	83,865	83,940	82,882	83,567	83,636	83,748	83,866	83,940
Civilian labor force	64,773	65,360	65,031	64,419	64,957	64,741	64,887	64,834	64,830
Participation rate	78.2	77.9	77.5	77.7	77.7	77.4	77.5	77.4	77.2
Employed	61,882	61,439	61,281	61,174	60,905	60,556	60,625	60,683	60,613
Employment-population ratio	74.7	73.3	73.0	73.8	72.9	72.4	72.4	72.4	72.2
Agriculture	2,436	2,612	2,547	2,266	2,328	2,388	2,438	2,381	2,385
Nonagricultural industries	59,427	58,827	58,714	58,908	58,577	58,168	58,187	58,302	58,248
Unemployed	2,810	3,911	3,770	3,245	4,052	4,184	4,272	4,251	4,217
Unemployment rate	4.5	6.0	5.8	5.0	6.2	6.5	6.6	6.5	6.5
Women, 16 years and over									
Civilian noninstitutional population	98,496	99,248	99,315	98,496	99,038	99,105	99,174	99,248	99,315
Civilian labor force	56,887	57,440	56,996	56,628	57,127	56,831	57,181	56,834	56,694
Participation rate	57.8	57.9	57.4	57.5	57.7	57.3	57.7	57.3	57.1
Employed	53,570	53,626	53,161	53,502	53,596	53,148	53,479	53,323	53,068
Employment-population ratio	54.4	54.0	53.5	54.3	54.1	53.6	53.9	53.7	53.5
Unemployed	3,316	3,814	3,835	3,126	3,531	3,683	3,702	3,500	3,626
Unemployment rate	5.8	6.6	6.7	5.5	6.2	6.5	6.5	6.2	6.4
Women, 20 years and over									
Civilian noninstitutional population	91,688	92,654	92,720	91,688	92,358	92,454	92,548	92,664	92,720
Civilian labor force	52,974	53,381	53,382	53,256	53,634	53,480	53,883	53,617	53,618
Participation rate	57.8	57.6	57.6	58.1	58.1	57.8	58.2	57.9	57.8
Employed	50,183	50,326	50,117	50,649	50,695	50,363	50,723	50,738	50,575
Employment-population ratio	54.7	54.3	54.1	55.2	54.9	54.5	54.8	54.8	54.5
Agriculture	674	662	682	634	623	633	617	601	642
Nonagricultural industries	49,509	49,636	49,434	50,015	50,072	49,731	50,106	50,136	49,933
Unemployed	2,791	3,056	3,266	2,606	2,939	3,117	3,160	2,879	3,041
Unemployment rate	5.3	5.7	6.1	4.9	5.5	5.8	5.9	5.4	5.7
Both sexes, 16 to 19 years									
Civilian noninstitutional population	13,711	13,320	13,313	13,711	13,455	13,432	13,374	13,320	13,313
Civilian labor force	8,265	8,595	7,683	7,031	7,081	7,011	6,850	6,862	6,456
Participation rate	60.3	64.5	57.7	51.3	52.6	52.2	51.2	50.0	48.5
Employed	7,129	6,985	6,482	5,867	5,798	5,672	5,537	5,291	5,228
Employment-population ratio	52.0	52.4	48.7	42.8	43.1	42.2	41.4	39.7	39.3
Agriculture	384	436	377	252	204	271	254	256	259
Nonagricultural industries	6,798	6,549	6,105	5,615	5,594	5,401	5,283	5,035	4,969
Unemployed	1,136	1,611	1,202	1,164	1,283	1,339	1,313	1,371	1,230
Unemployment rate	13.7	18.7	15.6	16.6	18.1	19.1	19.2	20.0	19.0

[1] The population figures are not adjusted for seasonal variation; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

HOUSEHOLD DATA

Table A-2. Employment status of the civilian population by race, sex, age, and Hispanic origin

(Numbers in thousands)

Employment status, race, sex, age, and Hispanic origin	Not seasonally adjusted			Seasonally adjusted[1]					
	Aug. 1990	July 1991	Aug. 1991	Aug. 1990	Apr. 1991	May 1991	June 1991	July 1991	Aug. 1991
WHITE									
Civilian noninstitutional population	180,550	181,558	181,642	180,550	181,264	181,357	181,448	181,588	181,642
Civilian labor force	108,238	108,045	108,078	107,166	107,678	107,491	107,745	107,382	107,090
Participation rate	67.4	67.5	66.8	66.7	66.8	66.8	66.7	66.5	66.3
Employed	102,217	102,475	101,805	101,006	101,456	100,844	101,048	100,760	100,610
Employment-population ratio	64.3	63.4	63.0	63.5	62.9	62.6	62.6	62.4	62.2
Unemployed	5,022	6,570	6,273	5,170	6,223	6,647	6,698	6,622	6,480
Unemployment rate	4.6	6.0	5.8	4.8	5.8	6.1	6.2	6.2	6.1
Men, 20 years and over									
Civilian labor force	56,322	56,647	56,414	56,040	56,310	56,210	56,397	56,344	56,252
Participation rate	78.7	78.3	77.9	78.3	78.1	77.9	77.8	77.8	77.7
Employed	54,148	53,985	53,483	53,801	53,179	53,029	52,882	52,980	52,834
Employment-population ratio	75.6	74.1	73.8	74.8	73.7	73.5	73.3	73.2	73.1
Unemployed	2,173	3,053	2,950	2,438	3,131	3,185	3,304	3,366	3,318
Unemployment rate	3.8	5.4	5.2	4.4	5.6	5.7	5.9	6.0	5.9
Women, 20 years and over									
Civilian labor force	44,817	45,110	45,081	45,080	45,304	45,243	45,672	45,319	45,254
Participation rate	57.5	57.4	57.3	57.8	57.8	57.7	58.0	57.7	57.6
Employed	42,795	42,792	42,611	43,184	43,169	42,832	43,213	43,137	42,998
Employment-population ratio	54.9	54.3	54.2	55.4	55.1	54.7	54.9	54.8	54.7
Unemployed	2,023	2,318	2,450	1,896	2,136	2,310	2,360	2,179	2,256
Unemployment rate	4.5	5.1	5.4	4.1	4.7	5.1	5.2	4.8	5.0
Both sexes, 16 to 19 years									
Civilian labor force	7,098	7,287	6,804	6,086	6,064	6,039	5,808	5,722	5,584
Participation rate	64.3	68.4	62.0	54.8	56.4	56.3	54.3	53.7	52.5
Employed	6,270	6,089	5,731	5,201	5,109	4,987	4,871	4,880	4,878
Employment-population ratio	56.8	57.1	52.2	47.1	47.5	46.5	45.6	45.7	45.9
Unemployed	828	1,199	973	885	956	1,052	1,036	1,089	906
Unemployment rate	11.8	16.4	13.2	14.3	15.8	17.4	17.8	18.8	16.2
Men	12.1	17.0	13.2	15.4	16.9	18.3	18.8	20.0	16.9
Women	11.1	15.8	13.2	13.1	14.7	15.4	14.9	16.6	15.5
BLACK									
Civilian noninstitutional population	21,337	21,631	21,655	21,337	21,541	21,569	21,606	21,631	21,655
Civilian labor force	13,584	13,603	13,629	13,401	13,670	13,472	13,613	13,616	13,454
Participation rate	63.7	64.3	62.9	62.8	63.5	62.5	63.0	62.9	62.1
Employed	12,027	12,192	11,971	11,836	11,946	11,727	11,837	11,802	11,788
Employment-population ratio	56.4	56.4	55.3	55.5	55.5	54.4	54.8	54.1	54.5
Unemployed	1,557	1,711	1,658	1,563	1,722	1,746	1,777	1,814	1,666
Unemployment rate	11.5	12.3	12.2	11.7	12.6	13.0	13.1	13.3	12.3
Men, 20 years and over									
Civilian labor force	6,302	6,448	6,340	6,260	6,418	6,266	6,398	6,379	6,301
Participation rate	73.8	74.3	72.8	73.4	74.2	72.6	73.8	73.5	72.4
Employed	5,679	5,717	5,656	5,584	5,647	5,478	5,584	5,638	5,577
Employment-population ratio	66.6	65.8	65.0	65.6	65.3	63.5	64.6	64.8	64.1
Unemployed	624	732	685	686	768	780	816	741	724
Unemployment rate	9.9	11.3	10.8	10.8	12.0	12.4	12.7	11.6	11.5
Women, 20 years and over									
Civilian labor force	6,351	6,424	6,456	6,356	6,478	6,459	6,483	6,418	6,485
Participation rate	58.3	58.2	58.4	58.8	60.0	58.7	58.8	58.2	58.7
Employed	5,684	5,786	5,784	5,733	5,812	5,756	5,788	5,813	5,816
Employment-population ratio	53.3	53.4	53.1	53.7	53.8	53.2	53.2	53.6	53.5
Unemployed	646	629	694	625	666	705	719	605	669
Unemployment rate	10.2	9.8	10.7	9.8	10.3	10.9	11.0	9.4	10.3
Both sexes, 16 to 19 years									
Civilian labor force	951	1,029	832	783	779	747	732	719	668
Participation rate	44.4	49.1	39.7	36.8	37.1	35.1	34.8	34.3	31.9
Employed	644	678	553	511	490	487	486	470	402
Employment-population rate	31.0	32.3	26.4	23.9	23.3	22.9	23.0	22.4	19.3
Unemployed	287	351	278	272	288	260	247	248	265
Unemployment rate	30.2	34.1	33.5	34.7	37.1	33.5	33.7	34.6	39.7
Men	30.0	31.3	30.3	36.7	38.4	38.7	37.4	31.8	37.5
Women	30.3	37.0	37.3	32.7	35.7	30.1	29.9	37.4	42.3

See footnotes at end of table.

Table A-2. Employment status of the civilian population by race, sex, age, and Hispanic origin — Continued

(Numbers in thousands)

Employment status, race, sex, age, and Hispanic origin	Not seasonally adjusted			Seasonally adjusted[1]					
	Aug. 1990	July 1991	Aug. 1991	Aug. 1990	Apr. 1991	May 1991	June 1991	July 1991	Aug. 1991
HISPANIC ORIGIN									
Civilian noninstitutional population	14,356	14,790	14,829	14,356	14,672	14,711	14,751	14,790	14,829
Civilian labor force	9,841	10,051	9,933	9,665	9,739	9,695	9,737	9,834	9,747
Participation rate	68.5	68.0	67.0	67.3	66.4	65.9	66.0	66.5	65.7
Employed	9,067	9,072	8,945	8,904	8,859	8,756	8,781	8,903	8,778
Employment-population ratio	63.2	61.3	60.3	62.0	60.4	59.5	59.5	60.2	59.2
Unemployed	774	980	988	761	880	939	956	931	969
Unemployment rate	7.9	9.7	9.9	7.9	9.0	9.7	9.8	9.5	9.9

[1] The population figures are not adjusted for seasonal variation; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.
NOTE: Detail for the above race and Hispanic-origin groups will not sum to totals because data for the "other races" group are not presented and Hispanics are included in both the white and black population groups.

Table A-3. Selected employment indicators

(In thousands)

Category	Not seasonally adjusted			Seasonally adjusted					
	Aug. 1990	July 1991	Aug. 1991	Aug. 1990	Apr. 1991	May 1991	June 1991	July 1991	Aug. 1991
CHARACTERISTIC									
Civilian employed, 16 years and over	118,174	118,751	117,859	117,690	117,398	116,591	116,884	116,712	116,416
Married men, spouse present	40,726	40,624	40,502	40,661	40,502	40,280	40,337	40,503	40,462
Married women, spouse present	29,290	29,453	29,347	29,869	29,762	29,608	29,677	29,993	29,915
Women who maintain families	6,301	6,483	6,402	6,372	6,371	6,350	6,520	6,489	6,447
OCCUPATION									
Managerial and professional specialty	30,505	30,617	30,441	30,913	30,990	30,908	30,842	30,928	30,850
Technical, sales, and administrative support	36,244	36,108	36,091	36,009	36,515	36,233	36,283	35,891	35,876
Service occupations	16,222	16,687	16,337	15,847	15,882	15,793	16,142	16,138	15,939
Precision production, craft, and repair	13,856	13,438	13,351	13,586	13,197	13,181	13,207	13,057	13,102
Operators, fabricators, and laborers	18,351	17,645	17,815	17,852	17,150	17,188	16,974	17,184	17,121
Farming, forestry, and fishing	3,993	4,259	4,024	3,448	3,464	3,451	3,502	3,540	3,448
INDUSTRY AND CLASS OF WORKER									
Agriculture:									
Wage and salary workers	1,904	1,956	1,920	1,705	1,660	1,703	1,748	1,678	1,704
Self-employed workers	1,441	1,629	1,555	1,364	1,450	1,421	1,431	1,497	1,480
Unpaid family workers	128	156	132	97	95	117	115	120	102
Nonagricultural industries:									
Wage and salary workers	108,679	105,678	105,099	105,627	104,687	104,813	104,345	104,422	104,122
Government	17,184	17,376	17,291	17,798	18,064	17,904	17,938	17,988	17,908
Private industries	89,515	88,501	87,818	87,829	86,633	86,709	86,447	86,453	86,214
Private households	1,105	1,215	1,157	1,021	943	934	1,006	1,113	1,058
Other industries	88,410	87,286	86,661	86,808	85,690	85,775	85,441	85,340	85,156
Self-employed workers	8,793	8,904	8,949	8,846	9,209	8,732	8,958	8,880	8,817
Unpaid family workers	229	230	204	236	213	208	260	229	212
PERSONS AT WORK PART TIME[1]									
All industries:									
Part time for economic reasons	5,368	6,548	6,187	5,092	6,162	5,932	5,705	5,881	5,892
Slack work	2,392	3,082	2,919	2,491	3,383	3,138	3,148	3,091	3,073
Could only find part-time work	2,382	3,129	2,883	2,153	2,462	2,556	2,325	2,505	2,621
Voluntary part time	12,332	12,653	12,152	15,317	15,027	14,876	15,598	15,208	15,040
Nonagricultural industries:									
Part time for economic reasons	5,072	6,221	5,869	4,830	5,956	5,702	5,425	5,605	5,643
Slack work	2,195	2,918	2,733	2,290	3,181	2,971	2,964	2,915	2,898
Could only find part-time work	2,293	2,978	2,771	2,084	2,403	2,483	2,229	2,435	2,533
Voluntary part time	11,860	12,173	11,673	14,861	14,641	14,377	15,168	14,737	14,591

[1] Excludes persons "with a job but not at work" during the survey period for such reasons as vacation, illness, or industrial dispute.

Table A-4. Selected unemployment indicators, seasonally adjusted

Category	Number of unemployed persons (in thousands)			Unemployment rates[1]					
	Aug. 1990	July 1991	Aug. 1991	Aug. 1990	Apr. 1991	May 1991	June 1991	July 1991	Aug. 1991
CHARACTERISTIC									
Total, 16 years and over	7,015	8,501	8,488	5.6	6.6	6.9	7.0	6.8	6.8
Men, 20 years and over	3,245	4,251	4,217	5.0	6.2	6.5	6.6	6.5	6.5
Women, 20 years and over	2,608	2,879	3,041	4.9	5.5	5.8	5.9	5.4	5.7
Both sexes, 16 to 19 years	1,164	1,371	1,230	16.8	18.1	19.1	19.2	20.8	19.0
Married men, spouse present	1,458	1,825	1,823	3.5	4.4	4.4	4.7	4.3	4.3
Married women, spouse present	1,198	1,352	1,378	3.9	4.5	4.6	4.7	4.3	4.4
Women who maintain families	587	588	648	8.4	9.8	9.1	9.2	8.3	8.6
Full-time workers	5,581	7,014	6,994	5.3	6.3	6.5	6.6	6.5	6.5
Part-time workers	1,417	1,498	1,472	7.7	8.1	9.0	8.8	8.3	8.2
Labor force time loss[2]	—	—	—	6.3	7.6	7.7	7.8	7.5	7.6
OCCUPATION[3]									
Managerial and professional specialty	704	914	937	2.2	2.8	3.0	2.8	2.9	2.9
Technical, sales, and administrative support	1,832	1,846	1,908	4.3	5.2	5.3	5.2	4.9	5.1
Precision production, craft, and repair	900	1,207	1,191	6.2	7.8	8.0	7.8	8.5	8.3
Operators, fabricators, and laborers	1,615	2,091	1,903	8.3	10.8	10.2	11.9	10.8	10.1
Farming, forestry, and fishing	231	254	307	6.3	6.5	7.1	7.8	8.7	8.1
INDUSTRY									
Nonagricultural private wage and salary workers	5,341	6,589	6,517	5.7	7.0	7.2	7.4	7.1	7.0
Goods-producing industries	1,998	2,569	2,500	8.8	9.2	9.0	9.7	9.1	8.8
Mining	35	59	58	4.7	7.3	6.4	8.5	8.7	7.5
Construction	897	1,014	919	11.2	15.0	14.7	15.6	16.7	15.1
Manufacturing	1,266	1,496	1,523	6.8	7.6	7.4	8.2	7.0	7.2
Durable goods	783	876	917	5.9	8.3	7.7	8.4	7.1	7.4
Nondurable goods	503	610	606	5.6	6.6	7.0	7.9	6.9	6.9
Service-producing industries	3,343	4,020	4,017	5.2	6.0	6.4	6.3	6.2	6.2
Transportation and public utilities	258	336	343	4.0	5.4	5.5	5.4	5.1	5.1
Wholesale and retail trade	1,491	1,810	1,772	6.3	7.3	7.7	7.8	6.1	7.0
Finance and service industries	1,594	1,774	1,802	4.7	5.2	5.7	5.7	5.1	5.5
Government workers	508	515	604	2.8	3.2	3.2	2.8	2.8	3.3
Agricultural wage and salary workers	178	218	231	9.5	8.8	11.2	12.2	11.5	11.8

[1] Unemployment as a percent of the civilian labor force.
[2] Aggregate hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force hours.
[3] Seasonally adjusted unemployment data for service occupations are not available because the seasonal components are small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.

Table A-6. Duration of unemployment

(Numbers in thousands)

Weeks of unemployment	Not seasonally adjusted			Seasonally adjusted					
	Aug. 1990	July 1991	Aug. 1991	Aug. 1990	Apr. 1991	May 1991	June 1991	July 1991	Aug. 1991
DURATION									
Less than 5 weeks	3,225	3,526	3,307	3,275	3,787	3,654	3,427	3,388	3,386
5 to 14 weeks	2,187	2,853	2,743	2,077	2,745	2,717	2,662	2,722	2,602
15 weeks and over	1,414	2,195	2,188	1,568	2,229	2,294	2,573	2,348	2,398
15 to 26 weeks	874	1,074	1,014	822	1,226	1,208	1,411	1,215	1,221
27 weeks and over	541	1,121	1,174	746	1,003	1,028	1,162	1,132	1,175
Average (mean) duration, in weeks	12.1	13.2	13.9	12.3	13.7	12.8	14.2	13.9	14.0
Median duration, in weeks	5.2	6.3	7.1	5.3	7.0	6.5	6.8	6.6	7.2
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	47.2	41.1	40.1	47.3	39.8	42.5	36.7	39.9	40.4
5 to 14 weeks	32.1	33.3	33.3	30.0	33.2	31.6	32.3	32.3	31.0
15 weeks and over	20.7	25.6	26.6	22.7	27.0	26.0	29.0	27.8	28.6
15 to 26 weeks	9.9	12.5	12.3	11.9	14.8	14.0	15.9	14.4	14.6
27 weeks and over	10.8	13.1	14.2	10.8	12.1	11.9	13.1	13.4	14.0

Table A-6. Reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted			Seasonally adjusted					
	Aug. 1990	July 1991	Aug. 1991	Aug. 1990	Apr. 1991	May 1991	June 1991	July 1991	Aug. 1991
NUMBER OF UNEMPLOYED									
Job losers	3,145	4,239	4,320	3,388	4,526	4,657	4,669	4,886	4,695
On layoff	824	1,048	1,061	983	1,370	1,343	1,389	1,186	1,291
Other job losers	2,320	3,291	3,258	2,395	3,156	3,314	3,481	3,408	3,384
Job leavers	1,078	1,041	983	988	987	1,053	1,090	980	883
Reentrants	1,935	2,143	2,180	1,872	2,053	2,202	2,143	2,047	2,112
New entrants	680	1,053	775	669	741	779	741	821	762
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	48.0	50.6	52.4	49.0	54.5	53.8	55.1	54.4	55.4
On layoff	12.1	12.2	12.9	14.4	16.5	15.5	15.7	14.1	15.2
Other job losers	33.9	38.4	39.8	34.6	38.0	38.1	39.4	40.3	40.2
Job leavers	15.6	12.1	11.7	14.3	11.9	12.1	12.3	11.7	10.5
Reentrants	28.3	25.0	26.5	27.1	24.7	25.3	24.2	24.2	25.1
New entrants	9.9	12.3	9.4	9.7	8.9	9.0	8.4	9.7	9.0
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE									
Job losers	2.5	3.4	3.4	2.7	3.6	3.7	3.9	3.7	3.7
Job leavers	.9	.8	.8	.8	.8	.8	.8	.8	.7
Reentrants	1.5	1.7	1.7	1.5	1.8	1.8	1.7	1.8	1.7
New entrants	.5	.8	.6	.5	.6	.6	.6	.7	.6

Table A-7. Range of unemployment measures based on varying definitions of unemployment and the labor force, seasonally adjusted

(Percent)

Measure	Quarterly averages					Monthly data		
	1990			1991		1991		
	II	III	IV	I	II	June	July	Aug.
U-1 Persons unemployed 15 weeks or longer as a percent of the civilian labor force	1.1	1.3	1.3	1.8	1.9	2.0	1.9	1.9
U-2 Job losers as a percent of the civilian labor force	2.6	2.7	3.0	3.5	3.7	3.9	3.7	3.7
U-3 Unemployed persons 25 years and over as a percent of the civilian labor force for persons 25 years and over	4.2	4.4	4.7	5.3	5.5	5.6	5.3	5.5
U-4 Unemployed full-time jobseekers as a percent of the full-time civilian labor force	5.0	5.2	5.7	6.3	6.5	6.6	6.5	6.6
U-5a Total unemployed as a percent of the labor force, including the resident Armed Forces	5.2	5.5	5.8	6.4	6.7	6.8	6.7	6.7
U-5b Total unemployed as a percent of the civilian labor force	5.3	5.6	5.9	6.5	6.8	7.0	6.8	6.8
U-6 Total full-time jobseekers plus 1/2 part-time jobseekers plus 1/2 total on part time for economic reasons as a percent of the civilian labor force less 1/2 of the part-time labor force	7.3	7.6	8.1	9.0	9.2	9.2	9.2	9.2
U-7 Total full-time jobseekers plus 1/2 part-time jobseekers plus 1/2 total on part time for economic reasons plus discouraged workers as a percent of the civilian labor force plus discouraged workers less 1/2 of the part-time labor force	8.0	8.3	8.9	9.8	10.0	N.A.	N.A.	N.A.

N.A. = not available.

HOUSEHOLD DATA

Table A-8. Unemployed persons by sex and age, seasonally adjusted

Sex and age	Number of unemployed persons (in thousands)			Unemployment rates[1]					
	Aug. 1990	July 1991	Aug. 1991	Aug. 1990	Apr. 1991	May 1991	June 1991	July 1991	Aug. 1991
Total, 16 years and over	7,015	8,501	8,486	5.6	6.6	6.9	7.0	6.8	6.8
16 to 24 years	2,362	2,905	2,878	11.4	12.8	13.8	13.8	14.5	13.4
16 to 19 years	1,164	1,371	1,330	16.8	18.1	19.1	19.2	20.0	19.0
16 to 17 years	501	618	555	18.8	21.2	20.4	20.2	24.0	22.0
18 to 19 years	651	739	667	14.9	16.3	18.9	18.6	18.0	16.8
20 to 24 years	1,218	1,534	1,448	8.8	10.1	11.2	11.1	11.2	10.7
25 years and over	4,610	5,542	5,783	4.4	5.4	5.5	5.6	5.3	5.5
25 to 54 years	4,039	4,882	5,107	4.8	5.7	5.7	5.8	5.6	5.7
55 years and over	528	616	645	3.4	3.8	4.1	4.5	4.0	4.2
Men, 16 years and over	3,888	5,001	4,882	5.7	6.9	7.2	7.4	7.3	7.2
16 to 24 years	1,268	1,665	1,508	11.7	14.3	14.8	15.1	15.4	14.2
16 to 19 years	644	750	665	17.8	19.3	21.1	21.7	21.7	19.7
16 to 17 years	294	329	298	20.7	22.0	21.2	20.6	24.1	22.8
18 to 19 years	357	405	369	15.7	17.7	21.7	22.3	19.2	17.8
20 to 24 years	624	915	843	8.6	11.9	11.2	11.9	12.8	11.8
25 years and over	2,566	3,288	3,330	4.5	5.6	5.8	5.9	5.7	5.8
25 to 54 years	2,250	2,940	2,884	4.8	5.9	6.1	5.9	6.0	5.8
55 years and over	333	412	427	3.8	4.4	4.7	4.7	4.7	5.0
Women, 16 years and over	3,126	3,500	3,606	5.5	6.2	6.5	6.5	6.2	6.4
16 to 24 years	1,114	1,239	1,371	11.2	11.2	13.1	12.4	13.6	12.6
16 to 19 years	520	621	665	15.4	16.9	16.9	16.4	18.4	18.4
16 to 17 years	217	289	256	16.9	20.4	19.5	19.9	23.8	20.9
18 to 19 years	294	334	298	14.0	14.8	15.8	14.6	16.7	16.0
20 to 24 years	594	618	706	8.0	8.1	11.1	10.3	8.8	9.8
25 years and over	2,015	2,254	2,435	4.2	5.2	5.1	5.3	4.8	5.1
25 to 54 years	1,809	2,052	2,212	4.5	5.5	5.4	5.5	5.0	5.4
55 years and over	198	204	217	2.9	3.0	3.3	4.2	3.1	3.3

[1] Unemployment as a percent of the civilian labor force.

Table A-9. Employment status of male Vietnam-era veterans and nonveterans by age, not seasonally adjusted

(Numbers in thousands)

Veteran status and age	Civilian noninstitutional population		Civilian labor force							
			Total		Employed		Unemployed			
							Number		Percent of labor force	
	Aug. 1990	Aug. 1991	Aug. 1990	Aug. 1991	Aug. 1990	Aug. 1991	Aug. 1990	Aug. 1991	Aug. 1990	Aug. 1991
VIETNAM-ERA VETERANS										
Total, 36 years and over	7,656	7,798	6,957	7,075	6,698	6,768	259	306	3.7	4.3
36 to 49 years	6,513	6,456	6,155	6,099	5,922	5,822	232	273	3.8	4.5
36 to 39 years	1,382	1,128	1,310	1,057	1,242	985	67	72	5.2	6.8
40 to 44 years	3,283	3,088	3,104	2,916	2,996	2,807	108	111	3.5	3.8
45 to 49 years	1,848	2,258	1,741	2,121	1,684	2,030	57	91	3.3	4.3
50 years and over	1,145	1,342	803	976	776	946	27	33	3.3	3.4
NONVETERANS										
Total, 36 to 49 years	17,479	16,580	16,340	17,272	15,771	16,382	570	890	3.5	5.1
36 to 39 years	8,018	8,451	7,597	7,954	7,321	7,541	276	413	3.6	5.2
40 to 44 years	5,256	5,914	4,888	5,517	4,727	5,245	157	272	3.2	4.9
45 to 49 years	4,207	4,195	3,856	3,801	3,722	3,606	137	195	3.5	5.1

NOTE: Male Vietnam-era veterans are men who served in the Armed Forces between August 5, 1964 and May 7, 1975. Nonveterans are men who have never served in the Armed Forces; published data are limited to those 35 to 49 years of age, the group that most closely corresponds to the bulk of the Vietnam-era veteran population.

Table A-10. Employment status of the civilian population for 11 large states

(Numbers in thousands)

State and employment status	Not seasonally adjusted[1]			Seasonally adjusted[2]					
	Aug. 1990	July 1991	Aug. 1991	Aug. 1990	Apr. 1991	May 1991	June 1991	July 1991	Aug. 1991
California									
Civilian noninstitutional population	21,999	22,447	22,486	21,999	22,321	22,363	22,403	22,447	22,486
Civilian labor force	14,940	14,961	15,024	14,803	14,740	14,655	14,753	14,725	14,885
Employed	14,126	13,769	13,942	13,987	13,644	13,530	13,545	13,609	13,796
Unemployed	813	1,193	1,082	816	1,096	1,125	1,208	1,116	1,089
Unemployment rate	5.4	8.0	7.2	5.5	7.4	7.7	8.2	7.6	7.3
Florida									
Civilian noninstitutional population	10,150	10,365	10,384	10,150	10,305	10,324	10,344	10,365	10,384
Civilian labor force	6,455	6,505	6,556	6,374	6,357	6,405	6,398	6,413	6,480
Employed	6,014	5,981	6,010	5,956	5,922	5,927	5,916	5,913	5,956
Unemployed	440	524	546	418	435	478	478	500	524
Unemployment rate	6.8	8.1	8.3	6.6	6.8	7.5	7.5	7.8	8.1
Illinois									
Civilian noninstitutional population	8,878	8,919	8,922	8,878	8,906	8,910	8,914	8,919	8,922
Civilian labor force	6,025	6,128	6,095	5,961	6,045	5,979	6,081	6,042	6,035
Employed	5,644	5,732	5,654	5,580	5,657	5,623	5,620	5,636	5,598
Unemployed	381	396	441	381	388	356	441	406	437
Unemployment rate	6.3	6.5	7.2	6.4	6.4	6.0	7.3	6.7	7.2
Massachusetts									
Civilian noninstitutional population	4,620	4,624	4,624	4,620	4,622	4,623	4,623	4,624	4,624
Civilian labor force	3,238	3,161	3,109	3,175	3,115	3,130	3,105	3,099	3,047
Employed	3,031	2,864	2,834	2,966	2,855	2,828	2,810	2,818	2,768
Unemployed	207	297	275	209	260	302	295	281	279
Unemployment rate	6.4	9.4	8.8	6.6	8.3	9.6	9.5	9.1	9.2
Michigan									
Civilian noninstitutional population	7,002	7,018	7,019	7,002	7,012	7,014	7,015	7,018	7,019
Civilian labor force	4,697	4,532	4,532	4,591	4,593	4,545	4,552	4,446	4,428
Employed	4,348	4,141	4,138	4,238	4,129	4,110	4,136	4,075	4,026
Unemployed	349	390	393	353	464	435	414	371	402
Unemployment rate	7.4	8.6	8.7	7.7	10.1	9.6	9.1	8.3	9.1
New Jersey									
Civilian noninstitutional population	6,028	6,026	6,025	6,028	6,025	6,025	6,025	6,026	6,025
Civilian labor force	4,104	4,122	4,076	4,064	4,034	3,965	4,058	4,054	4,033
Employed	3,915	3,855	3,817	3,865	3,773	3,716	3,789	3,800	3,764
Unemployed	189	267	258	199	261	269	269	254	269
Unemployment rate	4.6	6.5	6.3	4.9	6.5	6.8	6.6	6.3	6.7
New York									
Civilian noninstitutional population	13,801	13,802	13,801	13,801	13,799	13,799	13,800	13,802	13,801
Civilian labor force	8,731	8,703	8,614	8,641	8,724	8,712	8,642	8,511	8,536
Employed	8,311	8,099	7,993	8,201	8,072	8,071	7,978	7,909	7,894
Unemployed	420	604	621	440	652	641	664	602	642
Unemployment rate	4.8	6.9	7.2	5.1	7.5	7.4	7.7	7.1	7.5

See footnotes at end of table.

Table A-10. Employment status of the civilian population for 11 large states — Continued

(Numbers in thousands)

State and employment status	Not seasonally adjusted[1]			Seasonally adjusted[2]					
	Aug. 1990	July 1991	Aug. 1991	Aug. 1990	Apr. 1991	May 1991	June 1991	July 1991	Aug. 1991
North Carolina									
Civilian noninstitutional population	5,006	5,064	5,069	5,006	5,048	5,053	5,058	5,064	5,069
Civilian labor force	3,418	3,510	3,514	3,380	3,417	3,412	3,443	3,428	3,476
Employed	3,300	3,298	3,322	3,250	3,221	3,183	3,230	3,214	3,272
Unemployed	118	212	192	130	196	229	213	212	204
Unemployment rate	3.5	6.0	5.5	3.8	5.7	6.7	6.2	6.2	5.9
Ohio									
Civilian noninstitutional population	8,288	8,312	8,314	8,288	8,304	8,306	8,309	8,312	8,314
Civilian labor force	5,504	5,548	5,429	5,447	5,523	5,467	5,447	5,497	5,373
Employed	5,245	5,196	5,102	5,159	5,124	5,163	5,100	5,119	5,008
Unemployed	258	349	327	288	399	304	347	378	365
Unemployment rate	4.7	6.3	6.0	5.3	7.2	5.6	6.4	6.9	6.8
Pennsylvania									
Civilian noninstitutional population	9,392	9,415	9,416	9,392	9,407	9,409	9,411	9,415	9,416
Civilian labor force	5,877	6,051	5,950	5,810	5,960	5,968	5,946	5,952	5,908
Employed	5,624	5,625	5,566	5,512	5,537	5,510	5,549	5,534	5,475
Unemployed	253	426	384	298	423	459	397	418	433
Unemployment rate	4.3	7.0	6.5	5.1	7.1	7.7	6.7	7.0	7.3
Texas									
Civilian noninstitutional population	12,391	12,538	12,551	12,391	12,496	12,509	12,525	12,538	12,551
Civilian labor force	8,458	8,738	8,545	8,374	8,682	8,548	8,543	8,618	8,487
Employed	7,958	8,142	8,005	7,861	8,074	8,000	8,061	8,038	7,920
Unemployed	501	596	541	513	618	548	482	581	547
Unemployment rate	5.9	6.8	6.3	6.1	7.1	6.4	5.6	6.7	6.5

[1] These are the official Bureau of Labor Statistics' estimates used in the administration of Federal fund allocation programs.

[2] The population figures are not adjusted for seasonal variation; therefore, identical numbers appear in the unadjusted and the seasonally adjusted columns.

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-1. Employees on nonfarm payrolls by industry

(In thousands)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Aug. 1990	June 1991	July 1991p/	Aug. 1991p/	Aug. 1990	Apr. 1991	May 1991	June 1991	July 1991p/	Aug 1991p/
Total	109,900	109,836	108,561	108,572	110,160	108,736	108,887	108,885	108,812	108,846
Total private	92,716	91,296	91,130	91,356	91,839	90,312	90,447	90,429	90,425	90,490
Goods-producing industries	25,396	24,095	24,057	24,267	24,957	23,796	23,847	23,792	23,792	23,816
Mining	726	709	709	705	715	710	706	706	700	696
Oil and gas extraction	399.4	398.5	398.7	394.7	395	400	399	398	396	390
Construction	5,449	4,898	4,966	4,986	5,111	4,688	4,715	4,710	4,689	4,677
General building contractors	1,373.1	1,211.4	1,229.7	1,232.9	1,297	1,184	1,177	1,172	1,169	1,164
Manufacturing	19,223	18,488	18,362	18,556	19,113	18,396	18,426	18,378	18,403	18,465
Production workers	13,069	12,491	12,385	12,578	12,981	12,483	12,429	12,410	12,449	12,486
Durable goods	11,119	10,603	10,509	10,570	11,111	10,560	10,575	10,534	10,565	10,558
Production workers	7,573	6,999	6,928	6,992	7,575	6,948	6,964	6,943	6,969	6,991
Lumber and wood products	758.7	710.4	716.9	718.0	740	692	697	696	700	700
Furniture and fixtures	509.7	482.1	468.9	482.9	511	481	483	483	478	484
Stone, clay, and glass products	564.7	528.8	527.6	531.5	555	521	519	518	520	522
Primary metal industries	757.4	722.6	715.5	725.2	757	723	721	718	721	722
Blast furnaces and basic steel products	277.0	261.0	260.5	261.0	276	265	261	260	259	260
Fabricated metal products	1,427.1	1,364.4	1,348.2	1,366.0	1,450	1,353	1,354	1,358	1,359	1,369
Industrial machinery and equipment	2,081.3	1,987.9	1,979.9	1,974.9	2,091	2,007	2,005	1,990	1,986	1,985
Electronic and other electrical equipment	1,667.6	1,598.3	1,582.0	1,587.8	1,665	1,597	1,599	1,595	1,588	1,586
Transportation equipment	1,972.5	1,861.6	1,845.6	1,851.2	1,987	1,846	1,863	1,865	1,858	1,862
Motor vehicles and equipment	807.6	783.8	775.4	782.1	817	756	780	770	788	789
Instruments and related products	1,000.8	972.7	968.6	967.2	999	976	973	969	969	965
Miscellaneous manufacturing	379.5	364.5	358.2	367.7	376	364	363	363	366	365
Nondurable goods	8,104	7,885	7,853	7,986	8,002	7,836	7,851	7,844	7,858	7,887
Production workers	5,496	5,492	5,463	5,586	5,606	5,455	5,465	5,467	5,480	5,495
Food and kindred products	1,749.0	1,677.3	1,701.2	1,741.9	1,668	1,673	1,677	1,677	1,663	1,681
Tobacco products	50.3	44.9	45.4	50.2	50	49	48	48	49	50
Textile mill products	693.4	668.8	663.2	673.2	690	660	665	665	672	670
Apparel and other textile products	1,040.4	1,026.5	1,001.3	1,030.5	1,059	1,005	1,013	1,017	1,031	1,029
Paper and allied products	706.6	694.3	692.2	696.4	701	691	690	687	688	691
Printing and publishing	1,572.8	1,536.4	1,529.9	1,527.4	1,577	1,542	1,540	1,533	1,532	1,532
Chemicals and allied products	1,102.1	1,094.8	1,091.3	1,095.6	1,096	1,089	1,086	1,086	1,084	1,088
Petroleum and coal products	161.9	162.3	163.2	163.5	158	159	159	159	160	160
Rubber and misc. plastics products	896.3	860.3	848.1	863.6	894	849	854	856	856	864
Leather and leather products	133.2	121.7	118.0	123.6	131	120	119	120	123	122
Service-producing industries	84,504	85,741	84,524	84,325	85,223	84,942	85,040	85,093	85,020	85,030
Transportation and public utilities	5,841	5,848	5,807	5,819	5,859	5,814	5,819	5,809	5,805	5,817
Transportation	3,550	3,571	3,529	3,562	3,567	3,544	3,554	3,546	3,547	3,560
Communications and public utilities	2,291	2,277	2,278	2,277	2,272	2,270	2,263	2,263	2,258	2,257
Wholesale trade	6,247	6,109	6,106	6,083	6,211	6,086	6,085	6,068	6,065	6,067
Durable goods	3,647	3,558	3,532	3,519	3,630	3,535	3,528	3,517	3,511	3,501
Nondurable goods	2,600	2,571	2,572	2,564	2,581	2,551	2,557	2,551	2,554	2,566
Retail trade	19,846	19,500	19,440	19,463	19,716	19,326	19,339	19,345	19,343	19,328
General merchandise stores	2,472.9	2,385.9	2,293.9	2,304.7	2,520	2,372	2,356	2,358	2,364	2,369
Food stores	3,258.3	3,239.1	3,246.4	3,235.7	3,234	3,226	3,225	3,229	3,233	3,232
Automotive dealers and service stations	2,111.3	2,052.2	2,062.7	2,061.8	2,086	2,031	2,031	2,036	2,036	2,035
Eating and drinking places	6,768.9	6,781.7	6,741.3	6,762.0	6,578	6,560	6,571	6,571	6,577	6,571
Finance, insurance, and real estate	6,837	6,772	6,783	6,783	6,750	6,718	6,712	6,703	6,693	6,696
Finance	3,533	3,501	3,506	3,506	3,507	3,292	3,287	3,281	3,277	3,280
Insurance	2,132	2,139	2,137	2,136	2,125	2,134	2,132	2,130	2,124	2,127
Real estate	1,372	1,332	1,340	1,341	1,320	1,292	1,293	1,292	1,290	1,289
Services	28,547	28,970	28,959	28,959	28,388	28,576	28,645	28,712	28,729	28,786
Business services	5,328.2	5,317.0	5,311.0	5,359.9	5,269	5,257	5,278	5,280	5,279	5,302
Health services	7,921.1	8,247.3	8,281.0	8,309.3	7,899	8,147	8,165	8,206	8,248	8,284
Government	17,186	18,542	17,431	17,218	18,321	18,424	18,440	18,456	18,387	18,356
Federal	3,060	3,001	3,002	2,996	3,038	2,953	2,952	2,971	2,963	2,972
State	4,086	4,237	4,112	4,090	4,118	4,552	4,568	4,559	4,562	4,553
Local	10,040	11,304	10,317	10,123	10,965	11,119	11,140	11,126	11,082	11,051

p/ = preliminary.

ESTABLISHMENT DATA

Table B-2. Average weekly hours of production or nonsupervisory workers on private nonfarm payrolls, by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	Aug. 1990	June 1991	July 1991p/	Aug. 1991p/	Aug. 1990	Jan. 1991	May 1991	June 1991	July 1991p/	Aug. 1991p/
Total private	34.8	34.7	34.5	34.7	34.5	34.0	34.5	34.6	34.1	34.4
Mining	44.0	45.0	43.5	44.2	43.9	44.3	44.9	45.0	43.8	44.2
Construction	39.0	38.7	35.6	38.7	(2)	(2)	(2)	(2)	(2)	(2)
Manufacturing	40.9	40.9	40.4	40.9	40.9	40.2	40.4	40.8	40.7	40.9
Overtime hours	3.5	3.7	3.6	3.9	3.8	3.3	3.4	3.7	3.7	3.8
Durable goods	41.3	41.5	40.7	41.2	41.5	40.7	40.8	41.3	41.2	41.4
Overtime hours	3.7	3.7	3.5	3.6	3.9	3.3	3.5	3.7	3.7	3.8
Lumber and wood products	40.7	41.1	39.8	40.5	40.5	39.2	39.7	40.6	40.9	40.1
Furniture and fixtures	39.4	39.2	38.6	39.1	39.6	38.9	39.9	39.5	39.1	38.8
Stone, clay, and glass products	42.7	42.5	42.1	42.5	42.5	41.3	41.5	42.0	42.0	41.7
Primary metal industries	42.5	42.5	42.2	42.6	42.9	41.6	41.6	42.3	42.5	42.8
Blast furnaces and basic steel products	43.2	42.9	43.0	43.4	43.6	41.3	41.8	42.6	43.0	43.3
Fabricated metal products	41.3	41.6	40.7	41.6	41.6	40.7	40.8	41.2	41.4	41.6
Industrial machinery and equipment	41.6	41.9	41.2	41.3	42.1	41.5	41.2	41.8	41.6	41.8
Electronic and other electrical equipment	40.4	40.8	40.0	40.7	40.6	40.6	40.6	40.7	40.7	41.0
Transportation equipment	41.8	42.4	41.7	42.0	42.6	41.0	41.2	42.1	41.3	42.6
Motor vehicles and equipment	42.6	43.5	42.7	43.8	43.3	41.3	41.9	42.9	42.7	43.8
Instruments and related products	40.9	41.0	40.0	40.4	41.3	40.8	40.8	41.0	40.9	40.7
Miscellaneous manufacturing	39.7	39.7	38.7	39.6	39.9	39.2	39.3	39.7	39.4	39.6
Nondurable goods	40.3	40.2	39.9	40.5	40.1	39.7	39.9	40.1	40.1	40.4
Overtime hours	3.4	3.7	3.7	4.1	3.7	3.4	3.5	3.7	3.7	3.8
Food and kindred products	41.5	40.5	40.4	41.0	41.0	40.3	40.3	40.4	40.4	40.4
Tobacco products	39.3	39.5	38.3	39.1	(2)	(2)	(2)	(2)	(2)	(2)
Textile mill products	40.3	41.2	40.4	42.0	40.0	39.6	40.2	40.8	41.0	41.6
Apparel and other textile products	36.7	37.2	36.8	37.4	36.6	36.4	36.7	36.9	37.0	37.3
Paper and allied products	43.2	43.2	43.2	43.4	43.5	42.9	43.0	43.2	43.5	43.6
Printing and publishing	38.3	37.4	37.3	38.0	38.2	37.5	37.5	37.8	37.6	37.8
Chemicals and allied products	42.0	42.8	42.3	42.6	42.5	42.4	42.5	42.8	42.6	43.1
Petroleum and coal products	43.8	44.8	43.7	42.9	(2)	(2)	(2)	(2)	(2)	(2)
Rubber and misc. plastics products	41.1	41.3	40.7	41.6	41.5	40.7	40.9	41.1	41.3	41.6
Leather and leather products	37.9	38.3	37.6	38.2	37.6	37.1	37.2	37.6	37.6	37.7
Transportation and public utilities	39.3	39.1	38.7	38.9	39.0	38.4	38.8	38.9	38.2	38.7
Wholesale trade	38.1	38.5	38.1	38.2	38.1	37.9	38.2	38.4	37.9	38.2
Retail trade	29.4	29.2	29.4	29.4	28.7	28.4	28.7	28.9	28.5	28.7
Finance, insurance, and real estate	35.7	36.2	35.6	35.7	(2)	(2)	(2)	(2)	(2)	(2)
Services	32.8	32.8	32.6	32.7	32.5	32.2	32.5	32.7	32.2	32.4

1/ Data relate to production workers in mining and manufacturing, construction workers in construction, and nonsupervisory workers in transportation and public utilities, wholesale and retail trade, finance, insurance, and real estate; and services. These groups account for approximately four-fifths of the total employees on private nonfarm payrolls.

2/ These series are not published seasonally adjusted since the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.

p = preliminary.

ESTABLISHMENT DATA

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers on private nonfarm payrolls by industry

Industry	Average hourly earnings				Average weekly earnings			
	Aug. 1990	June 1991	July 1991r/	Aug. 1991p/	Aug. 1990	June 1991	July 1991r/	Aug. 1991p/
Total private	$10.04	$10.31	$10.30	$10.30	$367.23	$377.76	$375.35	$377.41
Seasonally adjusted	10.07	10.37	10.36	10.40	367.42	380.24	377.76	
Mining	13.66	14.24	14.19	14.16	601.04	640.80	617.27	625.87
Construction	13.79	13.68	13.90	13.82	537.81	537.16	538.86	542.57
Manufacturing	10.81	11.19	11.22	11.20	441.05	457.67	453.29	456.08
Durable goods	11.35	11.76	11.81	11.80	468.76	488.06	480.67	486.16
Lumber and wood products	9.13	9.36	9.35	9.35	371.59	384.75	371.73	378.68
Furniture and fixtures	8.55	8.75	8.74	8.83	336.58	343.00	338.91	345.25
Stone, clay, and glass products	11.13	11.40	11.43	11.41	475.25	484.50	481.22	483.69
Primary metal industries	12.96	13.52	13.44	13.45	550.82	566.10	567.17	570.28
Blast furnaces and basic steel products	14.85	15.31	15.49	15.52	641.52	656.89	666.07	673.57
Fabricated metal products	10.85	11.23	11.26	11.25	448.11	462.68	457.47	465.75
Industrial machinery and equipment	11.80	12.16	12.18	12.15	490.88	509.50	501.82	501.80
Electronic and other electrical equipment	10.52	10.74	10.77	10.78	416.93	436.19	430.80	438.75
Transportation equipment	14.07	14.82	14.90	14.93	588.13	628.37	621.33	637.36
Motor vehicles and equipment	14.52	15.45	15.52	15.52	613.65	672.08	662.70	667.36
Instruments and related products	11.34	11.68	11.72	11.73	463.81	478.88	468.80	475.59
Miscellaneous manufacturing	8.59	8.33	8.47	8.92	341.02	352.56	345.27	353.23
Nondurable goods	10.11	10.43	10.46	10.45	407.63	419.29	417.35	422.62
Food and kindred products	9.53	9.92	9.87	9.85	395.50	401.76	398.75	403.03
Tobacco products	16.16	18.36	18.32	16.53	635.09	726.01	701.66	644.52
Textile mill products	8.05	8.28	8.27	8.35	324.42	341.14	335.76	350.70
Apparel and other textile products	6.61	6.77	6.79	6.84	242.59	251.84	249.87	255.82
Paper and allied products	12.29	12.66	12.78	12.76	530.93	546.91	552.10	553.76
Printing and publishing	11.30	11.44	11.50	11.59	432.79	427.86	428.95	440.42
Chemicals and allied products	13.56	14.05	14.14	14.08	570.36	601.34	598.12	599.81
Petroleum and coal products	16.06	16.85	16.83	16.61	705.45	756.88	735.47	712.57
Rubber and misc. plastics products	9.78	10.08	10.10	10.17	401.98	416.30	411.07	421.04
Leather and leather products	6.83	7.15	7.11	7.16	258.86	273.85	267.34	273.51
Transportation and public utilities	12.97	13.16	13.24	13.23	509.72	514.56	512.39	514.65
Wholesale trade	10.76	11.19	11.13	11.14	409.96	430.82	426.05	425.55
Retail trade	6.73	6.98	6.97	6.95	197.86	203.82	204.92	206.53
Finance, insurance, and real estate	9.94	10.42	10.36	10.37	356.86	377.20	368.82	370.21
Services	9.75	10.19	10.14	10.14	319.80	336.23	330.56	331.58

1/ See footnote 1, table B-2.

p = preliminary.

Table B-4. Average hourly earnings of production or nonsupervisory workers1/ on private nonfarm payrolls by industry, seasonally adjusted

Industry	Aug. 1990	Apr. 1991	May 1991	June 1991	July 1991p/	Aug. 1991p/	Percent change from: July 1991-Aug. 1991
Total private:							
Current dollars	$10.07	$10.28	$10.32	$10.37	$10.36	$10.40	0.4
Constant (1982) dollars2/	7.51	7.47	7.47	7.49	7.47	N.A.	(3)
Mining	13.76	14.05	14.15	14.30	14.23	14.27	.3
Construction	13.83	14.05	14.00	13.98	14.00	14.06	.4
Manufacturing	11.09	11.12	11.15	11.19	11.22	11.28	.5
Excluding overtime4/	10.41	10.45	10.48	10.51	10.54	10.58	.4
Transportation and public utilities	13.09	13.19	13.24	13.23	13.25	13.27	.2
Wholesale trade	10.23	11.08	11.12	11.23	11.13	11.22	.8
Retail trade	6.68	6.77	6.78	7.01	7.02	7.02	.9
Finance, insurance, and real estate	10.04	10.28	10.35	10.50	10.40	10.47	.7
Services	9.90	10.16	10.24	10.29	10.26	10.29	.3

1/ See footnote 1, table B-2.

2/ The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-U) is used to deflate this series.

3/ Change was -0.2 percent from June 1991 to July 1991, the latest month available.

4/ Derived by assuming that overtime hours are paid at the rate of time and one-half.

N.A. = not available

p = preliminary

ESTABLISHMENT DATA

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers on private nonfarm payrolls, by industry

(1992=100)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Aug. 1990	June 1991	July 1991p/	Aug. 1991p/	Aug. 1990	Nov. 1990	May 1991	June 1991	July 1991p/	Aug. 1991p/
Total private	126.5	124.1	123.0	124.0	125.9	120.0	123.2	122.1	120.7	121.5
Goods-producing industries	112.8	106.1	104.5	107.0	109.6	102.5	105.2	105.6	103.4	104.2
Mining	65.5	64.6	62.6	62.9	64.0	64.5	64.6	64.2	62.3	61.7
Construction	151.6	132.6	134.5	135.9	157.6	122.7	126.6	126.6	123.7	122.9
Manufacturing	107.6	103.1	100.8	103.7	107.3	100.7	101.2	102.8	102.3	103.1
Durable goods	105.6	100.6	97.7	99.8	106.1	97.9	98.6	99.6	99.6	100.5
Lumber and wood products	136.6	126.7	123.7	126.7	129.6	117.6	119.7	122.6	121.5	122.0
Furniture and fixtures	125.3	116.6	111.6	116.9	124.2	113.5	115.6	117.1	115.6	116.2
Stone, clay, and glass products	113.6	105.3	103.6	105.2	109.7	100.6	101.6	101.6	101.6	101.6
Primary metal industries	92.6	87.7	85.9	87.6	93.5	85.6	85.8	86.7	87.6	88.2
Blast furnaces and basic steel products	82.6	74.5	74.2	74.9	82.6	74.3	74.7	75.7	75.6	77.6
Fabricated metal products	107.9	102.8	99.6	101.0	108.6	100.0	100.6	101.6	102.5	103.7
Industrial machinery and equipment	95.6	91.6	88.9	89.6	93.6	90.5	90.5	91.2	90.3	91.1
Electronic and other electrical equipment	105.2	101.8	98.7	101.3	106.1	100.7	101.1	101.5	101.6	102.2
Transportation equipment	117.6	113.3	110.2	111.6	121.0	107.3	109.5	111.8	113.6	114.6
Motor vehicles and equipment	125.1	126.3	122.6	124.7	132.5	113.0	118.6	121.8	128.5	128.6
Instruments and related products	86.7	83.5	80.6	82.0	87.0	83.9	83.4	83.5	82.1	82.3
Miscellaneous manufacturing	100.1	97.7	93.5	98.9	102.6	96.3	96.2	97.1	97.9	97.6
Nondurable goods	110.6	106.6	105.1	109.2	108.5	104.5	105.2	105.8	106.1	107.0
Food and kindred products	119.5	115.5	112.1	114.0	110.7	100.6	110.0	110.4	109.5	110.4
Tobacco products	72.2	63.8	62.5	73.1	72.6	66.2	69.5	68.8	69.5	73.9
Textile mill products	99.6	95.6	95.8	100.8	98.0	93.8	95.2	96.8	98.1	99.2
Apparel and other textile products	93.9	93.7	87.6	94.6	93.5	89.8	91.2	92.2	94.1	94.6
Paper and allied products	111.8	110.1	106.7	111.6	111.3	108.6	108.8	108.9	109.7	111.8
Printing and publishing	128.6	121.5	120.8	123.0	128.0	122.8	122.1	122.9	122.5	122.7
Chemicals and allied products	106.1	105.0	103.7	102.0	106.1	102.4	101.6	101.9	100.9	102.5
Petroleum and coal products	86.5	89.9	88.7	87.0	86.3	87.0	88.4	86.2	85.7	85.0
Rubber and misc. plastics products	128.7	123.6	119.5	124.0	129.6	119.6	121.1	122.1	123.0	124.5
Leather and leather products	65.8	58.5	55.2	59.8	61.5	55.3	53.6	56.0	57.8	57.5
Service-producing industries	132.6	132.1	131.3	131.7	130.1	127.9	129.3	130.3	128.5	129.2
Transportation and public utilities	116.3	116.2	114.6	115.1	115.5	113.3	114.7	114.8	113.8	114.5
Wholesale trade	117.6	115.6	114.5	114.3	116.5	113.6	114.2	114.5	112.9	113.3
Retail trade	127.3	124.0	124.1	124.5	125.5	119.3	120.6	121.9	119.8	120.4
Finance, insurance, and real estate	122.9	122.8	120.8	121.3	120.8	118.3	119.7	121.3	117.8	119.2
Services	148.5	150.2	149.6	149.9	146.1	145.6	147.1	148.5	146.6	147.5

1/ See footnote 1, table B-2.

p = preliminary.

ESTABLISHMENT DATA

Table B-6. Diffusion indexes of employment change, seasonally adjusted

(Percent)

Time span	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept	Oct.	Nov.	Dec.
	Private nonfarm payrolls, 356 industries1/											
Over 1-month span:												
1989	64.5	59.0	58.7	53.9	52.7	51.8	52.9	54.6	49.2	56.6	59.6	52.1
1990	58.1	58.1	52.2	48.7	52.8	48.3	46.6	47.8	45.1	41.4	40.3	42.0
1991	38.5	36.9	38.6	38.5	51.1	45.8	p/52.9	p/52.2				
Over 3-month span:												
1989	67.6	65.2	61.1	56.2	54.5	53.9	54.9	52.5	53.9	56.0	55.8	59.1
1990	58.8	59.0	54.4	50.7	48.7	49.4	45.6	45.7	40.8	37.4	35.8	35.1
1991	51.6	50.8	50.3	58.3	39.5	p/48.9	p/49.9					
Over 6-month span:												
1989	67.7	65.8	63.3	59.0	56.5	53.4	54.5	55.9	53.8	56.1	57.9	59.1
1990	56.6	55.2	55.2	51.8	47.6	44.9	42.7	38.6	37.2	33.8	30.9	28.8
1991	26.7	31.2	29.5	p/34.7	p/40.9							
Over 12-month span:												
1989	65.3	65.2	62.2	61.5	61.5	59.6	57.6	56.7	55.8	56.0	55.5	55.6
1990	56.6	56.5	51.4	48.3	46.6	43.5	40.3	35.8	34.1	30.6	32.0	30.2
1991	p/30.9	p/30.2										
	Manufacturing payrolls, 139 industries1/											
Over 1-month span:												
1989	58.6	50.7	48.9	47.5	47.1	44.2	44.2	45.7	38.8	48.2	48.6	45.3
1990	46.0	51.1	41.4	47.8	41.7	39.6	43.2	40.3	38.8	34.5	27.3	33.8
1991	31.7	28.4	29.9	38.5	44.8	46.0	p/55.0	p/52.9				
Over 3-month span:												
1989	56.5	54.3	49.3	43.5	42.8	42.1	40.3	36.5	39.9	41.8	41.0	41.7
1990	45.0	43.2	45.0	38.1	38.1	37.4	35.6	31.3	27.0	23.0	21.6	18.3
1991	19.4	14.5	18.0	30.2	36.3	p/48.9	p/55.8					
Over 6-month span:												
1989	57.9	51.8	48.6	45.0	41.7	38.1	38.1	38.1	35.6	38.8	39.6	39.6
1990	39.9	36.7	37.1	48.3	32.4	30.6	24.1	20.5	21.2	17.3	16.2	11.9
1991	10.4	17.3	19.4	p/24.5	p/39.9							
Over 12-month span:												
1989	53.6	56.1	51.8	46.4	44.6	41.7	38.1	35.3	34.9	36.3	32.4	32.7
1990	35.1	33.5	31.3	29.5	25.2	20.9	19.8	14.8	12.9	10.1	11.2	10.4
1991	p/14.0	p/15.8										

1/ Based on seasonally adjusted data for 1-, 3-, and 6-month spans and unadjusted data for the 12-month span. Data are centered within the span.

p : preliminary.

NOTE: Figures are the percent of industries with employment increasing plus one-half of the industries with unchanged employment, where 50 percent indicates an equal balance between industries with increasing and decreasing employment.

SENATOR SARBANES. Commissioner, thank you very much for your statement.

First of all, the number of long-term unemployed is now the highest it has been in this recession, is that correct?

MRS. NORWOOD. Yes.

SENATOR SARBANES. What's your definition of a long-term unemployed?

MRS. NORWOOD. Well, the definition that I used in my statement was unemployed for 27 weeks or more. Some people also use 15 weeks or more, and that's an additional 1.2 million long-term unemployed.

SENATOR SARBANES. But you are using 26 weeks or more?

MRS. NORWOOD. Actually, it's 27 weeks and over.

SENATOR SARBANES. So by your definition, those would be people, who if they started drawing unemployment benefits at the beginning, would have exhausted their benefits at this point?

MRS. NORWOOD. I believe that is the case, yes.

SENATOR SARBANES. And in addition, there are another 1.2 million who have been unemployed between 15 and 26 weeks, is that correct?

MRS. NORWOOD. Yes.

SENATOR SARBANES. So, we have about two-and-a-half million people who have either exhausted their benefits or are faced with the prospect of exhausting them in the not-too-distant future?

MRS. NORWOOD. That's correct.

SENATOR SARBANES. Now, this labor-force growth continues to be surprisingly slow. In fact, between June and August, the labor force fell by almost three-quarters of a million. If they had stayed in the work force and been counted as unemployed, what would the unemployment rate be today?

MRS. NORWOOD. Since we expected that you would ask that question, we have a calculation. [Laugher.]

MR. PLEWES. All things equal again—as we always say—if the labor-force participation rate was the same in August as it was in the spring of 1990, we would have had an unemployment rate of about 7.8 percent.

SENATOR SARBANES. 7.8 percent?

MR. PLEWES. That's correct. Versus the 6.8 percent we reported.

SENATOR SARBANES. Now, that's on the basis of the falloff in the labor force, is that correct?

MR. PLEWES. On the basis of the falloff in participation, basically, which reflects the falloff in the labor force. That's correct.

SENATOR SARBANES. Now, are the participation rates down for everybody, or primarily for women, or for teenagers, or what?

MRS. NORWOOD. Well, they're down for older men, for women, and for teenagers.

SENATOR SARBANES. When you say older men—without creating any embarrassments for anyone here—what's your definition of an older man? [Laughter.]

MRS. NORWOOD. A man who is age 55 and over.

SENATOR SARBANES. 55 and over.

MRS. NORWOOD. Yes.

SENATOR SARBANES. Now, I take it that if someone in that age level loses their job they have a very difficult time finding a job, don't they?

MRS. NORWOOD. I think that's clearly true. On the other hand, much of this is a reflection of the fact that when employers are trying to pare down their work forces, they sometimes make special arrangements to retire people earlier, so they increase the retirement benefits to some extent. So, there is a combination of things going on.

SENATOR SARBANES. I am struck by the human suffering in a recessionary period of those people well along in years, who have held work for a sustained period of time, who lose their job. They do not yet qualify for retirement, or if they do, it is for very limited amounts; and since it comes at an early age not really adequate for retirement, they are caught in a limbo. They have not reached retirement, and yet they have great difficulty being hired by anyone else, because they are perceived as being in an age category where they are near the end of their working period, and therefore no one wants to take them on. They have important family responsibilities, invariably, and it seems to me they are caught in an extraordinarily difficult situation.

MRS. NORWOOD. That's true. And they have now, I think, an additional problem. And that is that many of the people in that age group have worked at jobs where there are no longer many demands for the particular skills that they have developed over the years. The economy is being restructured; the demands for people with the qualifications that are required of workers have also changed.

SENATOR SARBANES. Now, I take it that unemployment at the state and local government level is now on the rise, and we are beginning to see reflected in the unemployment figures the effect of the budget crisis, which has marked state and local government budgeting all over the country. Is that correct?

MRS. NORWOOD. Yes, we're seeing a decline in employment in state and local government, and it's not surprising.

SENATOR SARBANES. Would you say that this is just the beginning?

MRS. NORWOOD. It is, yes.

SENATOR SARBANES. How big is that sector in the overall employment situation?

MR. PLEWES. There are about 4.3 million jobs in state government, and local governments have 11 million jobs.

SENATOR SARBANES. So, together you are talking about over 15 million jobs?

MRS. NORWOOD. Yes, that's right.

SENATOR SARBANES. So, a 10 percent cutback in employment is one-and-a-half million jobs?

MRS. NORWOOD. If there were that kind of a cutback, it would certainly be large. A lot of the local government employment is in the schools and in teaching, and it is dependent upon the birthrates and the kids growing up to school age.

SENATOR SARBANES. You do state-by-state monthly figures for the 11 largest states, is that correct?

MRS. NORWOOD. That's right.

SENATOR SARBANES. How many of those states are now above the national average that you have given us this morning?

MRS. NORWOOD. Well, we have California, Florida, Illinois, Massachusetts, Michigan, New York, and Pennsylvania.

SENATOR SARBANES. Could you give us the figures, too, of the ones that are above?

MRS. NORWOOD. California is 7.3 percent; Florida is 8.1; Illinois is 7.2; Massachusetts is 9.2; Michigan is 9.1; New York is 7.5; and Pennsylvania is 7.3.

SENATOR SARBANES. The national average you are reporting is 6.8 percent?

MRS. NORWOOD. That's right.

SENATOR SARBANES. California is at 7.3; Florida, 8.1; Illinois, 7.2.

MRS. NORWOOD. Massachusetts is 9.2; Michigan is 9.1.

SENATOR SARBANES. New York, 7.5; and Pennsylvania, 7.3?

MRS. NORWOOD. That's correct.

SENATOR SARBANES. Now, are extended unemployment insurance benefits being paid in any of those states?

MRS. NORWOOD. There are two states with extended benefits. They are Alaska and Rhode Island.

SENATOR SARBANES. Alaska and Rhode Island?

MRS. NORWOOD. Yes.

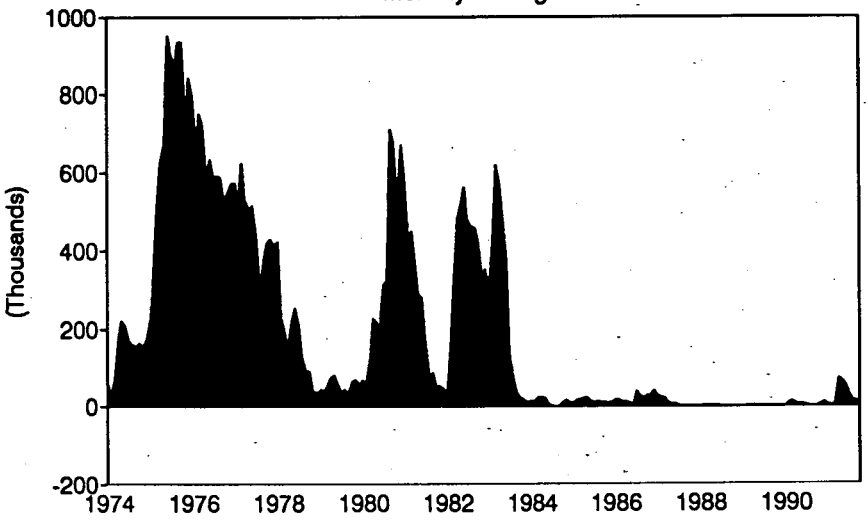
SENATOR SARBANES. So, none of the 7 of the 11 large states whose figures are above the national average, including over 8 percent in Florida and over 9 percent in Massachusetts and Michigan, are drawing extended benefits?

MRS. NORWOOD. That's right.

SENATOR SARBANES. I just want to show a couple of charts here (see charts on following page). These are persons receiving extended benefits in recession since 1974. And as you can see, quite a number of people drew extended benefits in the 1974-75 recession. We had a minor recession in 1980, and again we got a rise in the extended benefits. In 1981-82, when we had a severe recession during the Reagan Administration, we got a significant rise in the payment of extended benefits, an extra 13 weeks above the 26 weeks.

Persons Receiving Extended UI Benefits

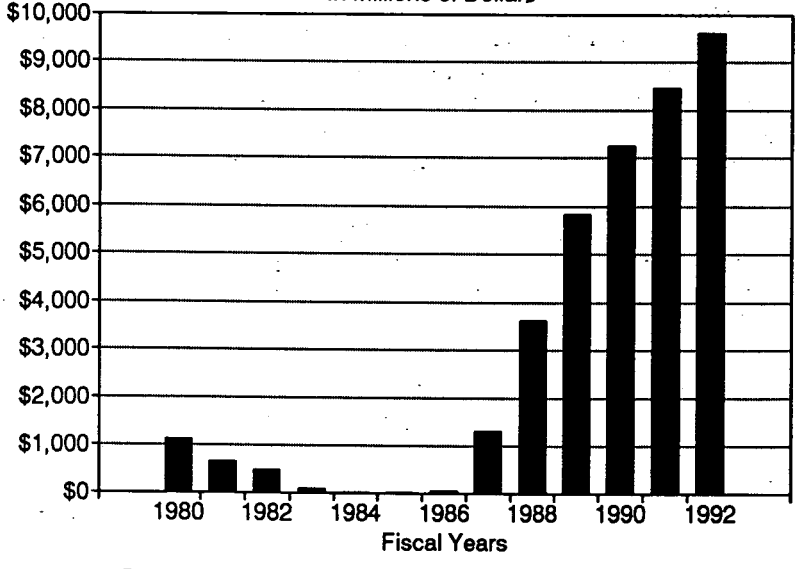
Monthly Average



Note: Excludes Federal Supplemental Benefits and Federal Supplemental Compensation recipients.

Extended Benefit Trust Fund Balance*

In Millions of Dollars



* Excludes transfers to loan account.

And this is what has happened in this recession. Barely any benefits are being paid. You have to get very close to it here in order to see the additional extended benefits that have been paid, compared to these payments back here.

And that is happening in a situation in which the surplus in the fund to pay extended benefits is approaching $10 billion. It is projected that in 1992 it will be above $9 billion and approaching $10 billion. This is money that has been paid into the fund by employers for extended unemployment insurance benefits. These funds are not being drawn out of the fund. This is exactly the surplus that the Congress sought to utilize to some extent in the legislation that was sent to the President in August, in order to begin to pay these extended benefits.

Now, Commissioner, I know you are not responsible for this program. But I want to underscore the situation in which we find ourselves. The GNP figures were revised for the last quarter to show a downturn, is that correct?

MRS. NORWOOD. That's correct.

SENATOR SARBANES. Now, we have had three successive quarters of decline in GNP? When was the last time we had a recession—1981-82—I assume we had the same thing. And before that?

MRS. NORWOOD. I can't tell you what happened to GNP in the short-lived 1980 recession. But certainly in 1973-75, we had a serious downturn.

SENATOR SARBANES. How does the length of this recession compare with other postwar recessions?

MRS. NORWOOD. Oh, it's close. The average duration is 11 months. This is 13 months now. But you should remember that we've had recessions of 6 and 16 months. They're all very different recessions.

SENATOR SARBANES. How many postwar recessions were longer than this one?

MRS. NORWOOD. We had the 1981-82 recession.

SENATOR SARBANES. Which was 16 months.

MRS. NORWOOD. Yes.

SENATOR SARBANES. That was the worst recession since the Great Depression, was it not?

MRS. NORWOOD. Yes. And then the 1973-75 was 16 months.

SENATOR SARBANES. Then this one is next, I take it?

MRS. NORWOOD. Well, this one thus far is 13 months.

SENATOR SARBANES. Would that be next to all the post-World War II recessions?

MRS. NORWOOD. Yes. That's right.

SENATOR SARBANES. So, this is now the third longest recession in the post-World War II period, exceeded only by the very severe recessions of 1981-82 and 1974-75, in terms of its length.

MRS. NORWOOD. Yes. That's true. And the National Bureau of Economic Research has not yet decided what the condition of this recession is.

SENATOR SARBANES. Let's assume that they decide the recession is over. What does that mean for the unemployed? Isn't it a fact that in every past recession in the postwar period, the number of long-term unemployed—people who need unemployment insurance assistance—has continued to rise after the recession was declared to be at an end?

MRS. NORWOOD. Yes.

SENATOR SARBANES. So, their situation will actually worsen? We have not yet had a declaration that this recession is at an end, and I do not see it coming. They just revised the GNP figures for the previous quarter to show a decline rather than a slight increase. But even if you could find some economic figures that would warrant saying the recession has ended, that just means the situation is not going down, not that the situation is starting to come back. And the situation for the long-term unemployed would worsen, would it not?

MRS. NORWOOD. History tells us that long-term unemployment will continue upward after the recession ends. That has happened in the past.

SENATOR SARBANES. Well, we are very pleased this morning that we have been joined by the chairman of the Budget Committee, Senator Sasser. We are very pleased to have him with us. I am going to yield to him now for any questions or statements he might have.

OPENING STATEMENT OF SENATOR SASSER

SENATOR SASSER. Thank you very much, Mr. Chairman. It's a real pleasure for me to be here this morning.

I might say that the reason I am so interested in these hearings this morning before the Joint Economic Committee has to do with the fiscal situation that our government finds itself in at the present time. We are faced with deficits of unprecedented peacetime proportions; facing us now and for fiscal year 1992.

We received word from the Office of Management and Budget just a few weeks ago that the revenue projections for fiscal year 1992, which we had received earlier, were dramatically skewed. Revenues were not going to be as high as OMB had originally predicted.

I have been curious as to what happened to these revenue projections, and I think we might find the answer, or at least a partial answer, in the unemployment statistics that we're seeing here this morning.

Now, Dr. Norwood testified, if I understood her, in response to a question from you, Chairman Sarbanes, that if you factored in those workers who had dropped out of the work force in July, if you factored those into the present unemployment rate, the rate would not be 6.8 percent, but would be 7.8 percent. Is that what you testified, Dr. Norwood?

MRS. NORWOOD. If the participation rates had remained the same and if there were no other shifts that occurred, which is somewhat unlikely, clearly, the rate would be much higher.

SENATOR SASSER. So, what we're seeing, if I understand it, is that people are dropping out of the work force; they're not looking for jobs any longer; they've become discouraged, or for other reasons, they don't enter into the unemployment statistics.

Now, let me just ask you this question. From June through the end of August, we've had 725,000 workers who no longer participate. They are not counted in the unemployment figures any longer. If they were counted in, what would the unemployment rate be at that juncture?

MRS. NORWOOD. I can't tell you exactly. But I can tell you that we do publish a rate that includes those people who say that they're looking for work, but are so discouraged that they cannot find a job, and those people who want a full-time job, but can only find part-time jobs. That rate for the second quarter of 1991 was 10 percent.

SENATOR SASSER. I think, Mr. Chairman——

SENATOR SARBANES. 10 percent?

MRS. NORWOOD. Yes.

SENATOR SARBANES. That is counting also the people working part-time who want to work full time?

MRS. NORWOOD. That's right. Part-time and the discouraged.

SENATOR SASSER. So that gives you a 10 percent unemployment rate.

MRS. NORWOOD. Yes, you can see it in Table A-7.

SENATOR SASSER. I think that's what's happening. That's what's causing this explosion in the federal deficit—in my judgement—that we had not counted on, and that's what's causing what now is an overestimate of revenues coming into the Federal Treasury, because it was made some months ago by OMB. It is the fact that people are unemployed or, as you say, Dr. Norwood, some are underemployed. And when you calculate the total number of those people, you have an unemployment rate, or a partial unemployment rate, of 10 percent or more.

Now, do you have any figures as to what 1 percent unemployment would cost the Federal Treasury by way of lost revenues and other programs for the unemployed?

MRS. NORWOOD. No, sir, we don't calculate figures of that kind. But obviously, there would be a big reduction in income tax receipts, because incomes would be affected, and to the extent that the rest of the economy is weakened, there would be a good deal less revenue.

SENATOR SASSER. Well, a ballpark figure—and I wouldn't want to be held to this all the way through—that every 1 percent of unemployment is going to raise the federal deficit somewhere in the neighborhood of about $25 billion, most of that as a result of lost revenues that the unemployed would be paying into the Treasury if they were employed.

Now, if we take your figure here of 10 percent—unemployed or partially employed—and we add that onto the official 6.8 percent unem-

ployed figure, you have an increase of slightly over 3 percent in unemployment. Now, if you factor that out to a figure of $23 or $25 billion in lost revenues for each 1 percent, I think we can see what's happening to our deficit. You're talking in terms of an additional $70 billion, conservatively, in lost revenue that the Treasury would be getting if these people were working.

I make this point, Mr. Chairman, simply to indicate how critical it is to our overall economic health, and in dealing with the problem of these gargantuan deficits, to have accurate figures on the number of unemployed, and to trying to get the unemployed back to work.

Now, despite all the talk of a recovery during the past several months, the official unemployment rate of 6.8 percent, which you have shared with us this morning, Dr. Norwood, is essentially the same as it was in March of this year, isn't it?

MRS. NORWOOD. That's right.

SENATOR SASSER. And so there are no signs—as I understand your testimony this morning, and in my own reading—of any momentum or upward trend in the overall employment numbers?

MRS. NORWOOD. That's correct. In the overall employment numbers, there is very little change. There is some encouraging news in the manufacturing sector, however.

SENATOR SASSER. But the bottom line is in August, the economy only gained back about half of the jobs that it lost in July. So, would you disagree with the statement that we're stuck here at the bottom in this recession, and bumping along, and really not showing any encouraging signs of recovery?

MRS. NORWOOD. Well, I would certainly say that the labor market seems to be having only a little glimmer of growth in the manufacturing sector.

SENATOR SARBANES. The economy is actually sputtering, isn't it? It is sputtering along, is what it is.

MRS. NORWOOD. Well, in some ways, I guess, you could say that. There is some good news. We did have, for example, a big surge in new durable orders. The residential housing starts are headed up, it would appear. Mortgage interest rates are headed down. Inventories are extremely lean, and the leading indicators has been up.

On the other hand, this morning's paper indicated that auto sales for August were not as strong as had been expected. We know that nonresidential building activity is extremely weak. Real disposable income is not growing very fast. Retail sales in August, according to this morning's news, was rather weak. So, there are things on both sides.

SENATOR SASSER. If I could just impose upon the Chairman to ask one more question, Mrs. Norwood. Now, in my judgment, it must be especially difficult for the 1.2 million Americans who have lost their jobs and been out of work for more than six months. And the reason I say that, it's my understanding that companies tend to hire back workers that were

most recently let go, and that those that were laid off first and have been laid off the longest are the last to come back. Is that a correct analysis?

MRS. NORWOOD. Yes.

SENATOR SASSER. Well, then, the job prospects for these long-term unemployed people are really more bleak than for those who just lost their jobs.

Now, in past recessions, we've extended the unemployment insurance benefits to help these people get by, as Senator Sarbanes has indicated. And these are the people that need our help and that we're trying to help. Up until now, the Administration has not seen fit to join with the Congress in helping these people. But it is a fact, Dr. Norwood—and I want to get your acquiesence in this, to make sure I understand it—that those who are laid off first—who fall into the category of the long-term unemployed—are the last to be hired back when we come out of a recession?

MRS. NORWOOD. Generally speaking, that's quite correct. And the reason is that employers let go first the people with the least training, the people who are least important to their operations. Then, when they begin to improve, they hire back the people they've kept the longest, because they're the more experienced.

SENATOR SASSER. Thank you.

Thank you, Mr. Chairman.

SENATOR SARBANES. I would say to Senator Sasser that his figures on estimating the cost to the Treasury of the unemployed are quite conservative. You used $25 billion for each one point on the unemployment rate. Actually, the Administration itself, in the budget that it submitted, uses a figure of $31 billion or $30.8 billion dollars for one point on the unemployment rate, in terms of the cost to the Treasury.

MRS. NORWOOD. If I may say so, Senator, that underscores even more the points that you have made and the support you have given for the importance of being certain that those data are of high quality.

SENATOR SARBANES. Well, that is certainly something we have been pursuing here, to have statistical data upon which we can rely and that are as accurate as they possibly can be.

SENATOR SASSER. Mr. Chairman, I might say—as an interesting and really a heartbreaking aside—these figures on unemployment do not represent the partial unemployment that comes about when people move from jobs of higher paying to jobs that are lower paying. Just this morning, there was a piece on National Public Radio about an accountant of 18 years, who exhausted his unemployment benefits, and was now working in a pizza parlor answering the telephone for the takeout orders. And he said one of the heartbreaking things about having to do this is the young people who work in that pizza parlor—who are 16 and 17 years old, and who we're urging to go to college—were laughing at him and saying, "you went to college, and what did it get you? You're here in the pizza parlor with us."

SENATOR SARBANES. Commissioner, what was the unemployment rate six months ago?

MR. PLEWES. Back in March, it was 6.8 percent, sir.

SENATOR SARBANES. That is six months ago.

MR. PLEWES. 6.5 percent in February.

SENATOR SARBANES. What was it nine months ago?

MR. PLEWES. 5.9 percent in November; 5.7 percent in October.

SENATOR SARBANES. All right. Now, someone who lost their job back in that period, who started to draw unemployment benefits, would now have used up their unemployment benefits?

MRS. NORWOOD. That's right.

SENATOR SARBANES. They are now looking for a job in a job market that is actually more difficult in terms of finding a job than at the time that that person lost the job; isn't that correct—if you lost your job and the unemployment rate was 5.9 percent, you then use up your benefits, and you are now out there looking for a job in a market where the unemployment rate is 6.8 percent?

MRS. NORWOOD. Yes.

SENATOR SARBANES. Commissioner, let me ask you one final question. I want to get a little bit of a profile on the people that are unemployed. There are eight-and-a-half million unemployed, is that correct?

MRS. NORWOOD. That's right.

SENATOR SARBANES. What are some of the major characteristics of the unemployed? How many are men; how many are women; how many are black; how many are white; their ages? Do you have anything handy on that?

MRS. NORWOOD. Yes, I do. 57.5 percent are men and, obviously, the rest are women. About three-quarters of them are white. About 20 percent of them are black, which is rather an interesting figure when you consider that blacks are 11 percent or so of the labor force. So, they're disproportionately represented.

SENATOR SARBANES. So, the rate of black unemployment is higher?

MRS. NORWOOD. Yes.

SENATOR SARBANES. But I think it is important to note that an overwhelming majority of the unemployed are white.

MRS. NORWOOD. That's right. They are. They're white and many of them are male.

SENATOR SARBANES. Many of them are male. Are the majority of the unemployed white males?

MRS. NORWOOD. 45 percent would be white males.

SENATOR SARBANES. 45 percent?

MRS. NORWOOD. Yes.

SENATOR SARBANES. What percent are white females?

MRS. NORWOOD. 32 percent.

SENATOR SARBANES. Okay.

MRS. NORWOOD. About 11 to 12 percent are Hispanics.

SENATOR SARBANES. I think there is a tendency on the part of some people in this country to think that unemployment is a minorities' problem. It is clear from the figures that you have just given us that that is not the case.

MRS. NORWOOD. That's right.

SENATOR SARBANES. Actually, unemployment is the problem of all Americans, and the figures would support that, would they not?

MRS. NORWOOD. Yes, they would, very clearly.

SENATOR SARBANES. Now, how about on age?

MRS. NORWOOD. On age, 28 percent are 25 to 34 years old, and another 20 percent are 35 to 44.

SENATOR SARBANES. 28 percent are 25 to 34?

MRS. NORWOOD. Yes. So, you have almost half who are 25 to 44.

SENATOR SARBANES. Okay.

MRS. NORWOOD. Then it goes down a bit. They are what the statistical system calls prime-age workers—people who are dedicated to the work force; people who tend to be committed members to the world of work.

SENATOR SARBANES. How many of the unemployed have family responsibilities? How many are married men, married or single women, who have households?

MRS. NORWOOD. I can't tell you exactly. We do have some data that I may have to supply that for the record. [Pause.]

There are 1.8 million married men with spouse present who are unemployed. And there are about 1.4 married women with spouse present who are unemployed. And then there are another almost 700,000 women who are maintaining families who are unemployed.

SENATOR SARBANES. Almost alf of the unemployed have family responsibilities, is that correct?

MRS. NORWOOD. Yes.

SENATOR SARBANES. What are the occupations of the unemployed?

MRS. NORWOOD. A large proportion of them are in technical, sales, and administrative support occupations. I think that is largely because of the serious problems and the lack of growth in the retail and wholesale trade industries. In addition, we have a lot in the services industries. About a quarter of the unemployed are there. And, of course, about 9 percent of the unemployed are in construction, and about 15 percent of workers in that industry are unemployed. When you consider the size of that industry, that's a most significant proportion. It's particularly important, too, because of the importance of construction in a developing economy.

SENATOR SARBANES. So, I take it by what you are telling me that the unemployment situation that we are experiencing in this recession really covers the range—at least, generally speaking—of economic activity in the country. Would that be correct?

MRS. NORWOOD. Yes, I think so. It has hit the technical, sales, and administrative occupations, and it has hit also the blue collar workers. That's a big issue—whether it's white or blue collar workers being hit—and it's really both.

SENATOR SARBANES. It is both?

MRS. NORWOOD. It is both.

SENATOR SARBANES. The myth that I want to spear right here this morning is this notion in a lot of people's minds that somehow the unemployment problem is limited to a small segment of the population. That is not the case, on the basis of the figures that you are giving me. In fact, better than three-quarters of the unemployed are white.

MRS. NORWOOD. Yes.

SENATOR SARBANES. Half of them hold family responsibilities, and a large number are in activities other than blue collar. In fact, I would assume a clear majority are in things other than blue collar. Is that correct?

MRS. NORWOOD. A lot of them are. But I would not want to leave the impression that a lot of people in production and craft and repair are not hard hit. They have higher unemployment and constitute a large proportion of the unemployed. But, clearly, this recession is somewhat broader-based, occupationally, than some of those in the past.

SENATOR SARBANES. That is right.

Well, Commissioner, we thank you and your colleagues very much for your testimony this morning. We very much appreciate your appearance again before the Committee.

MRS. NORWOOD. Thank you.

SENATOR SARBANES. This hearing will now stand adjourned, and we will immediately convene our next hearing.

[Whereupon, at 10:30 a.m., the Committee adjourned, subject to the call of the Chair.]

SEPTEMBER EMPLOYMENT SITUATION

FRIDAY, OCTOBER 4, 1991

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, DC.

The Committee met, pursuant to notice, at 9:53 a.m., in room SD–628, Dirksen Senate Office Building, Honorable Paul S. Sarbanes (chairman of the Committee) presiding.

Present: Senator Sarbanes and Representatives Armey and Fish.

Also present: Stephen A. Quick, Executive Director; William Buechner; Jim Klumpner; Susan Lepper; Steve Baldwin; and Chris Frenze, professional staff members.

OPENING STATEMENT OF SENATOR SARBANES, CHAIRMAN

SENATOR SARBANES. The Committee will come to order. I apologize to my colleagues and to the Commissioner for the delay in starting the hearing.

Commissioner, we're pleased to welcome you and your associates back before the Committee this morning, Mr. Plewes and Mr. Tibbetts.

Let me first say that I noted that the announcement was made since our last meeting that you will be accepting an appointment as a senior fellow at the Urban Institute, effective as of the first of the year—January 1st of the coming year—and stepping down as Commissioner after a very, very distinguished career, which I think has earned the respect and praise of observers all across the political spectrum and in the profession. You've been an outstanding professional, and we certainly wish you well in these new responsibilities.

According to the report I saw, I notice that you plan to address several issues, including the quality, availability, and use of data in public policy, and the effect on the U.S. statistical system of changes in the data systems of Western and Eastern Europe, and also your continuing interest in labor market analysis.

We are saddened by your departure as Commissioner, but we take some comfort in the fact that you will be continuing to address important public issues, and we know that you will make your usual extraordinary contribution in that arena as well. So, I certainly wish you well. I hope

that the Committee will have an opportunity between now and then to perhaps pay a somewhat more fitting tribute to your service. But since this annoucement just appeared a couple of weeks ago, I didn't want this opportunity to pass without noting it.

Let me simply say as we begin this hearing today that I remain concerned about the state of the economy. I know that the unemployment rate that you are reporting this morning has ticked down a tenth of a point, although I understand that the comprehensive rate is up a bit and that the number of discouraged workers is up.

I want to address this constant refrain that we hear that the recession is over with. I differ with that. I am very deeply concerned that we are still in a recession, and even more deeply concerned that even if we are coming out of it the growth rate is going to be very anemic.

The latest issue of *Business Week* carried a cover story titled, "I'm Worried About My Job," and said, "Corporations are rushing to cut costs and downsize before year end. This means an unusually powerful wave of layoffs will sweep through the U.S. during the next three months."

Now, the Congress has just passed new legislation to provide extended insurance benefits. We have held a number of hearings in this Committee on that issue. The Director of the Office on Management and Budget—when the President in August would not declare an emergency and make the extended benefits available to people—said that the recession was ended and the economy was improving. That has been a siren song that Mr. Darman has been sounding throughout this recession. In fact, in August when the President turned down the original bill that would have provided the benefits, the Commerce Department reported then that the real GNP had grown in the second quarter of 1991 by four-tenths of a percent. In other words, it had gone down in the last quarter of last year, down in the first quarter of this year, but at that time they were reporting figures to indicate that the GNP at least had crossed the positive line—not by much—but nevertheless that there was a positive growth.

That, in fact, is not the case. And in subsequent revisions, with more definitive figures, they now show that the GNP actually has gone down by five-tenths of a percent.

So, what we have is a drop in GNP in the last quarter of 1990 and a drop in the first quarter of 1991. People in August were saying, well, it is now going up by four-tenths of a point and reflecting this line [indicating]. But then with more definitive figures and revisions, they now show a drop of five-tenths of a percent. Now, that is less of a drop than we experienced in the previous two quarters. But nevertheless, it is still negative growth, and it gives us three consecutive quarters of a negative GNP. In other words, the economy was shrinking, not expanding.

Also what has happened is that because of this people who lost their jobs last November or December—when the unemployment rate was 5.8 and 5.9 percent—have now used up their 26 weeks of basic benefits and are trying to find a job in a market in which the unemployment rate is 6.7 percent. So, in effect, they have used up their benefits. They are now

looking for a job in a job market that is worse, more difficult, than at the time that they lost their job.

I'm concerned and one of the things I hope to develop with you is the time when this survey was done, because as I understand it, initial claims for unemployment insurance have jumped again in September to 400,000 in the second week of September and 430,000 in the third week of September. Now, this is after a decline in August where they dipped below 400,000. They are now back up again.

In August, there were signs that consumer confidence was picking up. The latest consumer confidence figures released last week show that consumers are growing more and more pessimistic each month about the future of the economy. And, in fact, the percent of Americans who believe jobs are hard to get is now at its highest level since the end of 1983.

Also, a number of other indicators are very mixed. Things went up, then they went down. Permits for new housing were up, now they have dropped off; the same with new orders for durable goods. And the leading indicators, which were rising again in August, were flat in the release that just came out Tuesday. So, I continue to find a very mixed economic picture, one that causes real concern.

In any event, it is clear that for many people across the country—working Americans who have lost their jobs through no fault of their own because of the down-turn, because of the recession—they are not to blame; they have now exhausted their benefits and find themselves confronted with incredibly difficult personal problems, in terms of meeting their obligations.

Given all of these developments, I very much hope that the President will find it in his heart to sign the legislation that the Congress has just passed.

With that, I will turn to my colleagues for any statements that they may have, and then we will turn to the Commissioner and her colleagues for their report this morning.

OPENING STATEMENT OF REPRESENTATIVE ARMEY

REPRESENTATIVE ARMEY. Thank you, Mr. Chairman.

It is of course a pleasure to welcome Commissioner Norwood and those who are with her this morning.

I can't take a great deal of joy out of this morning's report. We always remain hopeful. But I suppose a prudent Congress would hope for the best and prepare for the worst. And clearly we're still paying a high price in lost employment opportunity for the huge tax increase of last year's budget deal and for the congressional failure to enact tax incentives for economic growth and job creation. We should have been doing something throughout this entire year to help the economy recover rather than to continue policies in place that impede its recovery. But instead, we've spent recent months in a partisan attempt to shift the blame for the 1990 budget law's depletion of the unemployment trust fund. A number of

myths have been used by those who took no action to prevent the depletion, but who complain about it now that the money is gone.

The first myth is that the unemployment trust funds are bulging with $7 or $8 billion, which is readily available to fund the Democratic unemployment extension bill. Anyone with the slightest acquaintance with the budget knows this to be completely false. Congress decided to spend these trust funds, despite the recession, on other domestic spending in the 1990 budget agreement. Congressional raiding of the unemployment trust funds for more special interest funding is certainly unfortunate. However, those who voted for that budget deal cannot have it both ways. And, I might add, that is equally true of the highway trust fund, airport trust fund, or any other trust fund. If there is anything that I see in the practices of this government that proves that you should never believe it when someone says, "I'm from the government, trust me," it's the trust funds, where we certainly cannot place our trust.

The second myth is that emergency funding to evade the budget act is needed. Yet, if Congress could trim less than one-tenth of 1 percent of its bloated budget spending over the next five years, even the Democrats' bill could be passed under the current budget law. However, the majority refuse to make even minimal reductions in projected spending increases to help the unemployed. Instead, the Democrats simply want Congress to bounce a $6.4 billion check.

Furthermore, the emerency designation is inappropriate, because labor force measures do not warrant it. By just about any measure, including the unemployment rate, things were considerably worse at the end of the Carter Administration. Yet, that situation was never seen as justification for emergency measures by the Carter Administration or the Democratic Congress. Despite the fact that the number of those exhausting both regular and extended benefits, this amounted to about 1 million people in the last year of the Carter Administration.

Myth number three is that President Bush is delaying passage of the unemployment bill. In fact, the White House has said that the President would sign the Dole bill. If the Democratic leadership sincerely wanted to help the unemployed in a timely way, they could have passed the Dole bill. Instead, they want to continue using the unemployed as a political football.

The real problem is that the Democrats want to maneuver the President into a veto of the Democratic version for partisan political reasons. But posturing and complaining won't help the unemployed, and can't substitute for effective action.

Let's get on with the job and also enact tax incentives to improve the outlook for economic growth and job creation.

Myth number four is that the Democratic unemployment bill can be passed without cost. The truth is, as many in Congress are only now discovering, there is no such thing as a free lunch. The domestic spending spree, which would follow any success of the Democratic unemployment bill, will be even greater than that under the so-called deficit reduction

agreement of last year. The eventual result will be a new round of tax increases on the middle class.

The fact is that last year, as bad as it was, this Congress overwhelmingly voted to make a five-year deal. And with so many people in Congress prepared to break the deal, either on an ad hoc basis or on a more comprehensive basis, there are some, for example, that are preparing a new ten-year deal.

We need to be thankful that the President at least is prepared to stand by the deal and keep his word.

Unhappily, any commitment to that deal makes it even more difficult for us to do what in fact we ought to be doing—using our fiscal policy measures in the same way that they've been used by every President since the 1930s; particularly, tax policy, which seems to be all that's left to us to help this economy overcome the burden of excessive government and rebound from this recession.

I might just say, as my final word, Mr. Chairman, the American people must get over the notion that somehow the Federal Government can help the economy. The best that the government can do, and the most that we can realistically hope for, is that it might in some degree get out of the way and quit being the problem. And that, in fact, is what this Congress is not willing to face up to. It's the responsibilities that we're not willing to accept. And until we are, there's just no hope that we can get this Congress to respond to the American people.

Thank you, Mr. Chairman.

SENATOR SARBANES. Congressman Fish, please proceed.

OPENING STATEMENT OF REPRESENTATIVE FISH

REPRESENTATIVE FISH. Thank you, Mr. Chairman. And I, too, would like to welcome Dr. Norwood and wish her the very best in the future.

Dr. Norwood, as you go through your testimony, I would be interested if you could tell us that, had there been no increase in the discouraged worker count in the third quarter, would not the unemployment rate for the last month be much higher than 6.7 or 6.8 percent? Senator Sarbanes said in his opening statement that he foresees—and I think this is a direct quote—"a wave of layoffs during the next few months."

I'd be very interested if you would care to make a prognosis on that.

SENATOR SARBANES. That was not my observation. That was a quote from *Business Week.*

REPRESENTATIVE FISH. Yes. Well, I think it's very critical, Mr. Chairman.

I guess my fundamental concern here is that I, too, have heard the optimistic forecasts the last several months. I'm perplexed, as a noneconomist, over the mixed and volatile indicators that have been forthcoming in the last few months; one day giving us hope, the next day discouraging us.

In my state of New York, the situation shows no signs of improvement. It has now reached beyond the private sector to local government, and only in the last few weeks have local government entities been forced to reduce.

As an economist, I ask you the question, is it a common practice or phenomenon that private sector and government layoffs only occur at the very end of a recession?

It would seem to me more logical that they would occur at a time when business and government were experiencing the crunch, and would be making themselves more lean in terms of personnel and inventory to work out of the situation.

So, I find, if that's true—and I'm asking you—isn't it contradictory that we're told we're near the end of the recession or we're indeed out of it, in view of these events.

So, I look forward very much to your testimony. Thank you.

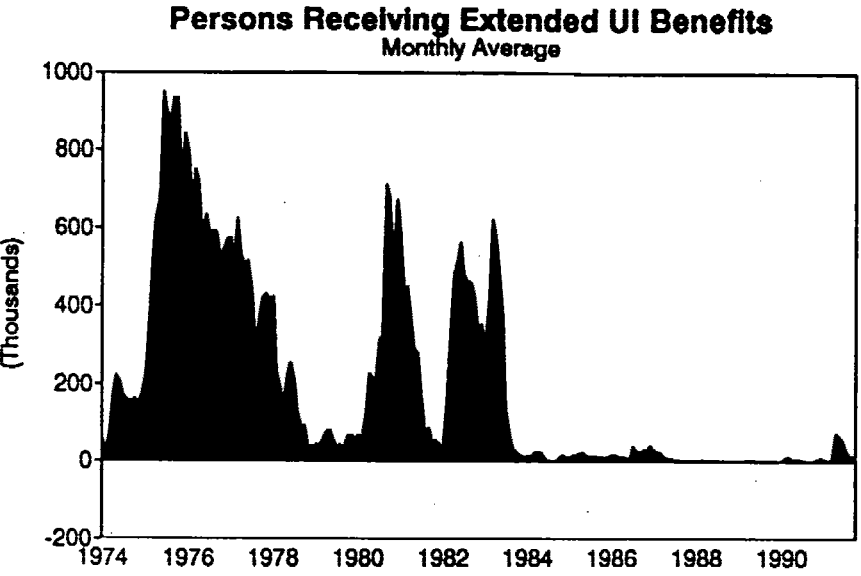
SENATOR SARBANES. I want to make one thing very clear for the record, because I listened carefully to Congressman Armey, and he said that in the last year of the Carter Administration no special action was taken to extend the unemployment insurance benefits. I think that is an accurate statement of what was said.

The reason no special action had to be taken was that the system, as then constructed to provide extended benefits, was in fact responsive to the economic downturn. These are persons receiving extended unemployment insurance benefits in previous recessions. This was in 1974-75. [Indicating to chart.] (See chart on following page.) This was in the Carter years when it went up, as we can see. This was in the Reagan years, when we had the 1981-82 recession, where the number of persons receiving extended unemployment
insurance benefits also went up. So, the responsiveness of the system to the long-term unemployed took place in each of those recessions.

Now, this is what has happened in this recession, right there [indicating]. Hardly anyone ... 14,000 people across the country in this recession have received extended unemployment insurance benefits, in contrast to what occurred under Ford, Carter, and Reagan.

I notice, since my colleague seems to want to put it all in a very partisan way—Republican, Democrat, Republican—we paid out these extended benefits.

Now, the trust fund; it's a good question. But the fact is that people paid into the trust fund. They paid taxes for the specific purpose of paying unemployment insurance benefits. That was, in effect, the covenant. The system was developed to build up the trust fund's surplus when unemployment was low in order to use it when unemployment was high, and to avoid the question at the time of high unemployment in a recession of where the funds were to come from in order to make the extended benefits. That is why we had the trust fund and that is why we provided for it.



Note: Excludes Federal Supplemental Benefits and Federal Supplemental Compensation recipients.

Now, the system is obviously not working in this recession. People are not getting benefits, as witnessed by this very small number; hardly anything over here. And yet, the trust fund has built up these very large balances.

Now, the budget agreement provided for an emergency declaration, which the President has used this year. He's declared an emergency and gone outside of the budget agreement in order to send resources overseas to address situations abroad. But he was unable to find it in his heart to declare an emergency in August in order to address the problem of the long-term unemployed in this country.

Now, we may or may not be coming out of this recession. If we are coming out of it, we may or may not come out of it in a very positive way. Most of the indicators are for not coming out of it very postively. But the fact remains that you still have these long-term unemployed out there who confront a situation of how they are going to meet their family responsibilities. And these are working people by definition. You cannot draw unemployment insurance unless you have held a job for a steady period of time and have lost that job through no fault of your own.

So, that is the context, I think, in which we find ourselves this morning.

But Commissioner, none of this is directly relevant to your testimony.

REPRESENTATIVE ARMEY. Mr. Chairman, if I might just have a quick moment.

SENATOR SARBANES. Sure.

REPRESENTATIVE ARMEY. A quick response to the point the Chairman made. The Chairman is absolutely accurate in what he says, but if the triggers that were in place in 1980 were in place today, there would not be extended unemployment benefits. The reason the trigger did in fact engage in those years was that the unemployment condition was so much worse than it is now.

I'll have more to say on that later, if necessary, but I think that should suffice for now so that we can get on with the testimony.

Thank you.

SENATOR SARBANES. Commissioner, please proceed.

STATEMENT OF HONORABLE JANET L. NORWOOD, COMMISSIONER, BUREAU OF LABOR STATISTICS, U.S. DEPARTMENT OF LABOR: ACCOMPANIED BY THOMAS J. PLEWES, ASSOCIATE COMISSIONER FOR EMPLOYMENT AND UNEMPLOYMENT STATISTICS; AND THOMAS K. TIBBETTS, ASSISTANT COMMISSIONER FOR INDUSTRIAL PRICES AND PRICE INDEXES

MRS. NORWOOD. Thank you, Mr. Chairman.

We're happy to be here to try to review the data with you.

Once again, the data that we're reporting this morning show no significant over-the-month change. The September unemployment rate was 6.7 percent, about the same as the 6.8 percent of the prior two months.

Payroll employment was unchanged over the month and has changed very little since May. While there has been no further worsening in either measure since spring, we have yet to see any sustained signs of a rebound in the labor market.

I should also mention that both the employment and labor force levels from the household survey rose substantially in September. As I will discuss in a moment, however, these developments appear to be more a response to changes in seasonal behavior rather than a meaningful turnaround in these series.

The business survey showed that factory employment edged down by 22,000, following gains in July and August. The factory workweek and overtime hours also edged down slightly. Both measures are still quite high, however, as we've discussed in recent appearances before this Committee.

The large declines in construction employment ended last spring, but the industry is still experiencing a slow erosion in jobs. About 10 percent fewer construction jobs existed in September than in the spring of 1990.

Job losses in state and local goverment now total 85,000 since June, as budget problems continue to take their toll. And in retail trade, we

enter the holiday build-up season with employment having been essentially flat since May. This is a large industry, accounting for close to one in every five nonfarm jobs. Its current sluggish performance is, nevertheless, an improvement over the period from last August through this April, during which nearly 400,000 retail jobs were lost.

One of the few bright spots in the September employment situation was the services industry. Health services continued its pace of rapid job creation. The industry has added 400,000 jobs over the last year. And employment in business services was up slightly in September, after having added nearly 60,000 jobs over the prior five months.

As I mentioned at the outset, the jobless rate has changed very little over the last few months. Moreover, the September rate of 6.7 percent was only 1.2 percentage points higher than it was at the business cycle peak in July 1990, an unusually small increase compared with previous recessions.

The number of unemployed persons has risen by 1.6 million over this period to 8.4 million. These unemployed workers represent a wide spectrum of the labor force. Although three-quarters of the jobless are white, one-fifth are black and one-eighth Hispanic. About a quarter last worked in construction and manufacturing. With the long-term structural shift of employment toward the service-producing sector, more than half of the unemployed now come from industries in this sector.

Although we're not seeing much movement in unemployment, two related measures did show some deterioration in September.

The number of workers employed part-time, who would have preferred full-time work, increased by nearly 500,000 over the month to 6.4 million. This sometimes volatile series bears watching in coming months.

Also, the discouraged worker count increased about 100,000, to 1.1 million in the third quarter. Discouraged workers are persons who want to work but are not looking for work because they think their search would be in vain.

One last item about the household survey.

We have been reporting in recent months that the labor force has been showing little if any growth. But in September, the labor force increased by 700,000. It should be remembered, however, that this series had declined by about the same magnitude over the prior two months. Thus, there has been no appreciable change in the size of the labor force since June. The rise in total employment, up by 750,000 after seasonal adjustment, can be explained in much the same way. These movements were undoubtedly affected by the failure of the teenage labor force to grow in the summer; which, in turn, accounts for their limited withdrawal from the labor force in September. Because of this month-to-month volatility, it is best to focus on a longer period. Since spring, both the labor force and employment have changed very little. Thus, labor force growth remains quite slow. The over-the-year increase is now about 600,000, more in line with what we've had over the last year and a half, but still the slowest labor force growth since the early 1960s.

In summary, the labor market clearly appears to have been in a holding pattern over the last several months. Both unemployment and payroll employment were essentially unchanged in September, and only the services industry exhibited any strength.

Now, Mr. Tibbetts and Mr. Plewes and I would be glad to try to answer any questions you have.

[The table attached to Mrs. Norwood's statement, together with the Employment Situation press release, follows:]

Unemployment rates of all civilian workers by alternative seasonal adjustment methods

Month and year	Unadjusted rate	X-11 ARIMA method							X-11 method (official method before 1980)	Range (cols. 2-9)
		Official procedure	Concurrent (as first computed)	Concurrent (revised)	Stable	Total	Residual	12-month extrapolation		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1990										
September...	5.5	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7	-
October.....	5.4	5.7	5.7	5.8	5.7	5.7	5.7	5.7	5.7	.1
November....	5.8	5.9	5.9	6.0	6.0	5.9	5.9	5.9	5.9	.1
December....	5.9	6.1	6.1	6.2	6.1	6.1	6.1	6.1	6.1	.1
1991										
January.....	7.0	6.2	6.2	6.2	6.3	6.2	6.3	6.2	6.2	.1
February....	7.2	6.5	6.5	6.5	6.6	6.6	6.6	6.5	6.5	.1
March.....	7.1	6.8	6.8	6.7	6.8	6.9	7.0	6.8	6.8	.3
April.....	6.5	6.6	6.6	6.6	6.6	6.6	6.5	6.6	6.6	.1
May.....	6.6	6.9	6.8	6.8	6.9	6.9	6.9	6.9	6.9	.1
June.....	6.9	7.0	6.9	6.9	6.8	6.9	6.9	7.0	6.9	.2
July.....	6.7	6.8	6.8	6.8	6.8	6.7	6.7	6.8	6.8	.1
August.....	6.5	6.8	6.8	6.8	6.8	6.7	6.7	6.8	6.8	.1
September...	6.4	6.7	6.8	6.8	6.7	6.7	6.6	6.7	6.7	.2

SOURCE: U.S. DEPARTMENT OF LABOR
Bureau of Labor Statistics
October 1991

(1) Unadjusted rate. Unemployment rate for all civilian workers, not seasonally adjusted.

(2) Official procedure (X-11 ARIMA method). The published seasonally adjusted rate for all civilian workers. Each of the 3 major civilian labor force components—agricultural employment, nonagricultural employment and unemployment—for 4 age-sex groups—males and females, ages 16-19 and 20 years and over—are seasonally adjusted independently using data from January 1974 forward. The data series for each of these 12 components are extended by a year at each end of the original series using ARIMA (Auto-Regressive, Integrated, Moving Average) models chosen specifically for each series. Each extended series is then seasonally adjusted with the X-11 portion of the X-11 ARIMA program. The 4 teenage unemployment and nonagricultural employment components are adjusted with the additive adjustment model, while the other components are adjusted with the multiplicative model. The unemployment rate is computed by summing the 4 seasonally adjusted unemployment components and calculating that total as a percent of the civilian labor force total derived by summing all 12 seasonally adjusted components. All the seasonally adjusted series are revised at the end of each year. Extrapolated factors for January-June are computed at the beginning of each year; extrapolated factors for July-December are computed in the middle of the year after the June data become available. Each set of 6-month factors are published in advance, in the January and July issues, respectively, of Employment and Earnings.

(3) Concurrent (as first computed, X-11 ARIMA method). The official procedure for computation of the rate for all civilian workers using the 12 components is followed except that extrapolated factors are not used at all. Each component is seasonally adjusted with the X-11 ARIMA program each month as the most recent data become available. Rates for each month of the current year are shown as first computed; they are revised only once each year, at the end of the year when data for the full year become available. For example, the rate for January 1984 would be based, during 1984, on the adjustment of data from the period January 1974 through January 1984.

(4) Concurrent (revised, X-11 ARIMA method). The procedure used is identical to (3) above, and the rate for the current month (the last month displayed) will always be the same in the two columns. However, all previous months are subject to revision each month based on the seasonal adjustment of all the components with data through the current month.

(5) Stable (X-11 ARIMA method). Each of the 12 civilian labor force components is extended using ARIMA models as in the official procedure and then run through the X-11 part of the program using the stable option. This option assumes that seasonal patterns are basically constant from year-to-year and computes final seasonal factors as unweighted averages of all the seasonal-irregular components for each month across the entire span of the period adjusted. As in the official procedure, factors are extrapolated in 6-month intervals and the series are revised at the end of each year. The procedure for computation of the rate from the seasonally adjusted components is also identical to the official procedure.

(6) Total (X-11 ARIMA method). This is one alternative aggregation procedure, in which total unemployment and civilian labor force levels are extended with ARIMA models and directly adjusted with multiplicative adjustment models in the X-11 part of the program. The rate is computed by taking seasonally adjusted total unemployment as a percent of seasonally adjusted total civilian labor force. Factors are extrapolated in 6-month intervals and the series revised at the end of each year.

(7) Residual (X-11 ARIMA method). This is another alternative aggregation method, in which total civilian employment and civilian labor force levels are extended using ARIMA models and then directly adjusted with multiplicative adjustment models. The seasonally adjusted unemployment level is derived by subtracting seasonally adjusted employment from seasonally adjusted labor force. The rate is then computed by taking the derived unemployment level as a percent of the labor force level. Factors are extrapolated in 6-month intervals and the series revised at the end of each year.

(8) 12-month extrapolation (X-11 ARIMA method). This approach is the same as the official procedure except that the factors are extrapolated in 12-month intervals. The factors for January-December of the current year are computed at the beginning of the year based on data through the preceding year. The values for January through June of the current year are the same as the official values since they reflect the same factors.

(9) X-11 method (official method before 1980). The method for computation of the official procedure is used except that the series are not extended with ARIMA models and the factors are projected in 12-month intervals. The standard X-11 program is used to perform the seasonal adjustment.

Methods of Adjustment: The X-11 ARIMA method was developed at Statistics Canada by the Seasonal Adjustment and Times Series Staff under the direction of Estela Bee Dagum. The method is described in The X-11 ARIMA Seasonal Adjustment Method, by Estela Bee Dagum, Statistics Canada Catalogue No. 12-564E, February 1980.

The standard X-11 method is described in X-11 Variant of the Census Method II Seasonal Adjustment Program, by Julius Shiskin, Allan Young and John Musgrave (Technical Paper No. 15, Bureau of the Census, 1967).

News United States Department of Labor

Bureau of Labor Statistics Washington, D.C. 20212

Technical information: (202) 523-1371
523-1944
523-1959
Media contact: 523-1913

USDL 91-498

TRANSMISSION OF MATERIAL IN THIS RELEASE IS EMBARGOED UNTIL 8:30 A.M. (EDT), FRIDAY, OCTOBER 4, 1991

THE EMPLOYMENT SITUATION: SEPTEMBER 1991

Both unemployment and payroll employment were little changed in September, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The unemployment rate was 6.7 percent; it had been 6.8 percent in both July and August.

Payroll employment, as measured by the business survey, was about unchanged in September and has shown little growth since May. While total employment, as measured by the survey of households, showed an unusually large seasonally adjusted increase in September, this followed a large decline over the prior 2 months.

Unemployment (Household Survey Data)

Both the number of unemployed persons, 8.4 million, and the unemployment rate, 6.7 percent, were little changed in September after seasonal adjustment. The number of unemployed workers is 1.6 million above July 1990, when the recession began, and the jobless rate is 1.2 percentage points higher. (See table A-1.)

Jobless rates for adult men (6.5 percent), whites (6.0 percent), and blacks (12.1 percent) were about the same as they had been in August, while rates for adult women (5.5 percent) and teenagers (18.0 percent) declined slightly. In contrast, the rate for Hispanics rose by 1.2 percentage points to 11.1 percent in September. (See tables A-1 and A-2.)

The number of unemployed persons who have lost their last jobs edged up over the month to 4.8 million; this was 1.7 million higher than in July 1990. Job losers now comprise 56.3 percent of the total unemployed, up from 46.5 percent in July 1990. (See table A-6.)

Long-term unemployment (15 weeks and over) has held about steady in the past 2 months at a level (2.4 million) that is about 850,000 above the July 1990 figure. The average and the median duration of unemployment, at 14.0 and 7.5 weeks, respectively, were also considerably higher than at the onset of the recession. (See table A-5.)

At 6.4 million, the number of persons employed part time involuntarily (often referred to as the partially unemployed) was up substantially in September and was 1.4 million above the July 1990 level. (See table A-3.)

Table A. Major indicators of labor market activity, seasonally adjusted

Category	Quarterly averages		Monthly data			Aug.-Sept. change
	1991		1991			
	II	III	July	Aug.	Sept.	
HOUSEHOLD DATA	Thousands of persons					
Civilian labor force..	125,511	125,242	125,214	124,904	125,607	703
Employment.....	116,958	116,764	116,712	116,416	117,165	749
Unemployment.....	8,553	8,477	8,501	8,488	8,442	-46
Not in labor force....	64,012	64,736	64,625	65,069	64,515	-554
Discouraged workers.	981	1,075	N.A.	N.A.	N.A.	N.A.
	Percent of labor force					
Unemployment rates:						
All workers.....	6.8	6.8	6.8	6.8	6.7	-0.1
Adult men.....	6.4	6.5	6.5	6.5	6.5	.0
Adult women.....	5.7	5.5	5.4	5.7	5.5	-.2
Teenagers.....	18.8	19.2	20.6	19.0	18.0	-1.0
White.....	6.0	6.1	6.2	6.1	6.0	-.1
Black.....	12.9	12.1	11.8	12.3	12.1	-.2
Hispanic origin...	9.5	10.2	9.5	9.9	11.1	1.2
ESTABLISHMENT DATA	Thousands of jobs					
Nonfarm employment....	108,836	p108,918	108,859	p108,936	p108,960	p24
Goods-producing 1/..	23,811	p23,800	23,798	p23,820	p23,783	p-37
Construction.....	4,704	p4,690	4,695	p4,691	p4,685	p-6
Manufacturing.....	18,400	p18,417	18,402	p18,436	p18,414	p-22
Service-producing.1/	85,025	p85,118	85,061	p85,116	p85,177	p61
Retail trade.....	19,336	p19,349	19,347	p19,343	p19,357	p14
Services.....	28,644	p28,811	28,733	p28,812	p28,888	p76
Government.....	18,440	p18,404	18,420	p18,409	p18,382	p-27
	Hours of work					
Average weekly hours:						
Total private.....	34.3	p34.3	34.1	p34.4	p34.5	p0.1
Manufacturing.....	40.5	p40.9	40.7	p41.0	p40.9	p-.1
Overtime.....	3.5	p3.7	3.7	p3.8	p3.7	p-.1

1/ Includes other industries, not shown separately. p=preliminary.
N.A.=not available.

Total Employment and the Labor Force (Household Survey Data)

Total employment was up by 750,000 in September, after seasonal adjustment, following a decline of 470,000 over the prior 2 months. The number of employed persons is still about 715,000 lower than it was in July 1990. With the large over-the-month increase, the proportion of the working-age population with jobs (the employment-population ratio) rose three-tenths of a percentage point to 61.6 percent, still 1.1 points below the July 1990 figure. (See table A-1.)

The labor force increased by 700,000 in September to 125.6 million, about offsetting declines totaling 725,000 in July and August. Even with this development, remarkably little growth has occurred over the past year (625,000). The number of teenage workers has actually declined by 430,000 over the year, with the drop stemming both from a shrinking of their population and lower participation rates. Participation was also down over the year among adult men and was little changed among adult women.

Discouraged Workers (Household Survey Data)

The number of discouraged workers--persons who want to work but are not looking for jobs because they could not find any--increased by about 100,000 in the third quarter of 1991 to a seasonally adjusted level of 1.1 million, the highest level since the first quarter of 1987. This figure was about a quarter of a million higher than a year earlier but was still much lower than the levels attained in the 1981-82 recession. (See table A-11.)

Industry Payroll Employment (Establishment Survey Data)

Payroll employment changed little in September, following an increase of 77,000 in August. Offsetting movements among the major industries continued to limit job growth. September declines in the goods-producing sector and in state and local government largely offset gains in the private service-producing sector.

Manufacturing jobs declined by 22,000 in September, following increases in the prior 2 months. Employment in most industries in both durable and nondurable goods either remained flat or declined slightly. The downward slide in the number of electronic equipment and aircraft manufacturing jobs continued, and employment in the food processing industry also decreased, returning to its June level.

Elsewhere in the goods-producing sector, mining employment declined by 9,000, following a similar decrease in August. The number of construction jobs edged down as well.

The private service-producing sector added 88,000 jobs in September, but government lost another 27,000, as cutbacks at state and local levels have begun to mount in recent months. Employment in the services industry increased by 76,000, marking the fifth consecutive month of growth. There was little growth in retail trade, which has edged up by 35,000 since April following recessionary losses totaling nearly 400,000. Very little employment change took place elsewhere in the service-producing sector.

Weekly Hours (Establishment Survey Data)

The average workweek for production or nonsupervisory workers on private nonfarm payrolls inched upward 0.1 hour in September to 34.5 hours. The overall workweek has risen by half an hour since April and is at about the same level as when the recession began. In manufacturing, the workweek edged down a tenth of an hour to 40.9 hours, still quite high by historical standards and 0.7 hour above the low of 40.2 hours reached in April. Overtime hours in manufacturing also slid back 0.1 hour in September to 3.7 hours. (See table B-2.)

The index of aggregate weekly hours of private production or nonsupervisory workers increased by 0.5 percent to 122.1 (1982=100) in September, after seasonal adjustment. For manufacturing, the index was down 0.3 percent to 102.8, 4.3 percent below the level of July 1990 when the recession began. (See table B-5.)

Hourly and Weekly Earnings (Establishment Survey Data)

Average hourly earnings of private production or nonsupervisory workers were up by 0.2 percent in September, seasonally adjusted. Average weekly earnings increased by 0.5 percent. Prior to seasonal adjustment, average hourly earnings increased by 16 cents to $10.46, and average weekly earnings increased by $4.51 to $361.92. Over the year, average hourly earnings increased by 3.1 percent and average weekly earnings by 2.5 percent. (See tables B-3 and B-4.)

The Employment Situation for October 1991 will be released on Friday, November 1, at 8:30 A.M. (EST).

Explanatory Note

This news release presents statistics from two major surveys, the Current Population Survey (household survey) and the Current Employment Statistics Survey (establishment survey). The household survey provides the information on the labor force, employment, and unemployment that appears in the A tables, marked HOUSEHOLD DATA. It is a sample survey of about 60,000 households that is conducted by the Bureau of the Census with most of the findings analyzed and published by the Bureau of Labor Statistics (BLS).

The establishment survey provides the information on the employment, hours, and earnings of workers on nonfarm payrolls that appears in the B tables, marked ESTABLISHMENT DATA. This information is collected from payroll records by BLS in cooperation with State agencies. The sample includes over 350,000 establishments employing over 41 million people.

For both surveys, the data for a given month are actually collected for and relate to a particular week. In the household survey, unless otherwise indicated, it is the calendar week that contains the 12th day of the month, which is called the survey week. In the establishment survey, the reference week is the pay period including the 12th, which may or may not correspond directly to the calendar week.

The data in this release are affected by a number of technical factors, including definitions, survey differences, seasonal adjustments, and the inevitable variance in results between a survey of a sample and a census of the entire population. Each of these factors is explained below.

Coverage, definitions, and differences between surveys

The sample households in the household survey are selected so as to reflect the entire civilian noninstitutional population 16 years of age and older. Each person in a household is classified as employed, unemployed, or not in the labor force. Those who hold more than one job are classified according to the job at which they worked the most hours.

People are classified as *employed* if they did any work at all as paid civilians; worked in their own business or profession or on their own farm; or worked 15 hours or more in an enterprise operated by a member of their family, whether they were paid or not. People are also counted as employed if they were on unpaid leave because of illness, bad weather, labor-management disputes, or personal reasons.

People are classified as *unemployed*, regardless of their eligibility for unemployment benefits or public assistance, if they meet all of the following criteria: They had no employment during the survey week; they were available for work at that time; and they made specific efforts to find employment sometime during the prior 4 weeks. Persons laid off from their former jobs and awaiting recall and those expecting to report to a job within 30 days need not be looking for work to be counted as unemployed.

The *civilian labor force* equals the sum of the number employed and the number unemployed. The *unemployment rate* is the number unemployed as a percent of the civilian labor force. Table A-7 presents a special grouping of seven measures of unemployment based on varying definitions of unemployment and the labor force. The definitions are provided in the table. The most restrictive definition yields U-1 and the most comprehensive yields U-7. The civilian worker unemployment rate is U-5b, while U-5a, the overall unemployment rate, includes the resident Armed Forces in the labor force base.

Unlike the household survey, the establishment survey only counts wage and salary employees whose names appear on the payroll records of nonfarm firms. As a result, there are many differences between the two surveys, among which are the following:

- The household survey, although based on a smaller sample, reflects a larger segment of the population; the establishment survey excludes agriculture, the self-employed, unpaid family workers, and private household workers;
- The household survey includes people on unpaid leave among the employed; the establishment survey does not;
- The household survey is limited to those 16 years of age and older; the establishment survey is not limited by age;
- The household survey has no duplication of individuals, because each individual is counted only once; in the establishment survey, employees working at more than one job or otherwise appearing on more than one payroll would be counted separately for each appearance.

Other differences between the two surveys are described in "Comparing Employment Estimates from Household and Payroll Surveys," which may be obtained from BLS upon request.

Seasonal adjustment

Over the course of a year, the size of the nation's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. For example, the labor force increases by a large number each June, when schools close and many young people enter the job market. The effect of such seasonal variation can be very large; over the course of a year, for example, seasonality may account for as much as 95 percent of the month-to-month changes in unemployment.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. These adjustments make nonseasonal developments, such as declines in economic activity or increases in the participation of women in the labor force, easier to spot. To return to the school's-out example, the large number of people entering the labor force each June is likely to obscure any other changes that have taken place since May, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable

change. Insofar as the seasonal adjustment is made correctly, the adjusted figure provides a more useful tool with which to analyze changes in economic activity.

Measures of labor force, employment, and unemployment contain components such as age and sex. Statistics for all employees, production workers, average weekly hours, and average hourly earnings include components based on the employer's industry. All these statistics can be seasonally adjusted either by adjusting the total or by adjusting each of the components and combining them. The second procedure usually yields more accurate information and is therefore followed by BLS. For example, the seasonally adjusted figure for the civilian labor force is the sum of eight seasonally adjusted employment components and four seasonally adjusted unemployment components; the total for unemployment is the sum of the four unemployment components; and the unemployment rate is derived by dividing the resulting estimate of total unemployment by the estimate of the civilian labor force.

The numerical factors used to make the seasonal adjustments are recalculated twice a year. For the household survey, the factors are calculated for the January-June period and again for the July-December period. For the establishment survey, updated factors for seasonal adjustment are calculated for the May-October period and introduced along with new benchmarks, and again for the November-April period. In both surveys, revisions to historical data are made once a year.

Sampling variability

Statistics based on the household and establishment surveys are subject to sampling error, that is, the estimate of the number of people employed and the other estimates drawn from these surveys probably differ from the figures that would be obtained from a complete census, even if the same questionnaires and procedures were used. In the household survey, the amount of the differences can be expressed in terms of standard errors. The numerical value of a standard error depends upon the size of the sample, the results of the survey, and other factors. However, the numerical value is always such that the chances are approximately 68 out of 100 that an estimate based on the sample will differ by no more than the standard error from the results of a complete census. The chances are approximately 90 out of 100 that an estimate based on the sample will differ by no more than 1.6 times the standard error from the results of a complete census. At approximately the 90-percent level of confidence--the confidence limits used by BLS in its analyses--the error for the monthly change in total employment is on the order of plus or minus 358,000; for total unemployment it is 224,000; and, for the civilian worker unemployment rate, it is 0.19 percentage points. These figures do not mean that the sample results are off by these magnitudes but, rather, that the chances are approximately 90 out of 100 that the "true" level or rate would not be expected to differ from the estimates by more than these amounts.

Sampling errors for monthly surveys are reduced when the data are cumulated for several months, such as quarterly or annually. Also, as a general rule, the smaller the estimate, the larger the sampling error. Therefore, relatively speaking, the estimate of the size of the labor force is subject to less error than is the estimate of the number unemployed. And, among the unemployed, the sampling error for the jobless rate of adult men, for example, is much smaller than is the error for the jobless rate of teenagers. Specifically, the error on monthly change in the jobless rate for men is .25 percentage point; for teenagers, it is 1.29 percentage points.

In the establishment survey, estimates for the most current 2 months are based on incomplete returns; for this reason, these estimates are labeled preliminary in the tables. When all the returns in the sample have been received, the estimates are revised. In other words, data for the month of September are published in preliminary form in October and November and in final form in December. To remove errors that build up over time, a comprehensive count of the employed is conducted each year. The results of this survey are used to establish new benchmarks--comprehensive counts of employment--against which month-to-month changes can be measured. The new benchmarks also incorporate changes in the classification of industries and allow for the formation of new establishments.

Additional statistics and other information

In order to provide a broad view of the nation's employment situation, BLS regularly publishes a wide variety of data in this news release. More comprehensive statistics are contained in *Employment and Earnings*, published each month by BLS. It is available for $9.50 per issue or $29.00 per year from the U.S. Government Printing Office, Washington, DC 20204. A check or money order made out to the Superintendent of Documents must accompany all orders.

Employment and Earnings also provides approximations of the standard errors for the household survey data published in this release. For unemployment and other labor force categories, the standard errors appear in tables B through J of its "Explanatory Notes." Measures of the reliability of the data drawn from the establishment survey and the actual amounts of revision due to benchmark adjustments are provided in tables M, O, P, and Q of that publication.

HOUSEHOLD DATA

HOUSEHOLD DATA

Table A-1. Employment status of the civilian population by sex and age

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted[1]					
	Sept. 1990	Aug. 1991	Sept. 1991	Sept. 1990	May 1991	June 1991	July 1991	Aug. 1991	Sept. 1991
TOTAL									
Civilian noninstitutional population	188,401	189,973	190,122	188,401	189,522	189,668	189,839	189,973	190,122
Civilian labor force	124,779	126,097	125,405	124,870	125,232	125,629	125,214	126,004	125,607
Participation rate	66.2	66.4	66.0	66.3	66.1	66.2	66.0	66.7	66.1
Employed	117,661	117,859	117,335	117,883	118,581	118,884	118,712	118,416	117,165
Employment-population ratio	62.6	62.0	61.7	62.6	61.5	61.6	61.5	61.3	61.6
Agriculture	3,269	3,807	3,426	3,194	3,272	3,308	3,239	3,298	3,306
Nonagricultural industries	114,672	114,253	113,910	114,689	113,310	113,576	113,474	113,150	113,859
Unemployed	6,818	8,237	8,070	7,087	8,640	8,745	8,501	8,488	8,442
Unemployment rate	5.5	6.5	6.4	5.7	6.9	7.0	6.8	6.8	6.7
Not in labor force	63,622	63,877	64,717	63,431	64,291	64,039	64,626	63,969	64,515
Men, 16 years and over									
Civilian noninstitutional population	89,830	90,658	90,736	89,830	90,417	90,494	90,592	90,658	90,736
Civilian labor force	68,128	69,100	68,481	68,373	68,401	68,448	68,360	68,210	68,612
Participation rate	75.8	76.2	75.5	76.1	75.7	75.6	75.5	75.2	75.6
Employed	64,612	64,698	64,088	64,412	63,443	63,405	63,388	63,328	63,636
Employment-population ratio	71.9	71.4	70.6	71.7	70.2	70.1	70.0	69.8	70.4
Unemployed	3,516	4,402	4,412	3,961	4,957	5,043	5,001	4,882	4,976
Unemployment rate	5.2	6.4	6.4	5.8	7.2	7.4	7.3	7.2	7.2
Men, 20 years and over									
Civilian noninstitutional population	82,940	83,940	84,023	82,940	83,638	83,748	83,866	83,940	84,023
Civilian labor force	64,578	65,031	65,087	64,572	64,741	64,897	64,804	64,839	65,158
Participation rate	77.9	77.5	77.5	77.9	77.4	77.5	77.4	77.2	77.5
Employed	61,651	61,291	61,338	61,248	60,566	60,625	60,660	60,613	60,880
Employment-population ratio	74.3	73.0	73.0	73.8	72.4	72.4	72.4	72.2	72.5
Agriculture	2,387	2,547	2,520	2,299	2,368	2,436	2,381	2,368	2,423
Nonagricultural industries	59,264	58,714	58,818	58,948	58,188	58,187	58,302	58,246	58,467
Unemployed	2,925	3,770	3,748	3,324	4,184	4,272	4,251	4,217	4,266
Unemployment rate	4.5	5.8	5.8	5.1	6.5	6.6	6.5	6.5	6.5
Women, 16 years and over									
Civilian noninstitutional population	98,571	99,315	99,386	98,571	99,105	99,174	99,248	99,315	99,386
Civilian labor force	56,651	56,996	56,924	56,597	56,831	57,181	56,854	56,894	56,796
Participation rate	57.5	57.4	57.3	57.4	57.3	57.7	57.3	57.1	57.1
Employed	53,350	53,161	53,286	53,471	53,148	53,479	53,323	53,088	53,230
Employment-population ratio	54.1	53.5	53.6	54.2	53.6	53.9	53.7	53.5	53.7
Unemployed	3,302	3,836	3,638	3,126	3,683	3,702	3,530	3,806	3,566
Unemployment rate	5.8	6.7	6.4	5.5	6.5	6.5	6.2	6.4	6.1
Women, 20 years and over									
Civilian noninstitutional population	91,785	92,720	92,787	91,785	92,454	92,546	92,664	92,720	92,787
Civilian labor force	53,322	53,382	53,667	53,129	53,480	53,883	53,617	53,616	53,588
Participation rate	58.1	57.6	58.0	57.9	57.8	58.2	57.8	57.8	57.8
Employed	50,531	50,117	50,742	50,504	50,383	50,723	50,738	50,578	50,656
Employment-population ratio	55.1	54.1	54.7	55.0	54.5	54.8	54.8	54.5	54.6
Agriculture	661	682	715	633	633	617	601	642	679
Nonagricultural industries	49,870	49,434	50,027	49,871	49,731	50,106	50,138	49,935	49,977
Unemployed	2,790	3,266	3,125	2,625	3,117	3,160	2,879	3,041	2,940
Unemployment rate	5.2	6.1	5.8	4.9	5.8	5.9	5.4	5.7	5.5
Both sexes, 16 to 19 years									
Civilian noninstitutional population	13,696	13,313	13,302	13,696	13,432	13,374	13,320	13,313	13,302
Civilian labor force	8,882	7,883	8,451	7,299	7,011	8,850	8,882	8,458	8,858
Participation rate	50.2	57.7	49.5	53.1	52.2	51.2	50.0	49.5	51.5
Employed	5,778	6,482	5,256	6,131	5,672	5,537	5,291	5,228	5,619
Employment-population ratio	42.2	48.7	39.5	44.8	42.2	41.4	39.7	39.3	42.2
Agriculture	242	377	190	262	271	254	256	256	204
Nonagricultural industries	5,537	6,106	5,064	5,868	5,401	5,283	5,035	4,969	5,415
Unemployed	1,103	1,202	1,196	1,136	1,339	1,313	1,371	1,230	1,237
Unemployment rate	16.0	15.6	18.5	15.7	19.1	19.2	20.8	19.0	18.0

[1] The population figures are not adjusted for seasonal variation; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

Table A-2. Employment status of the civilian population by race, sex, age, and Hispanic origin

(Numbers in thousands)

Employment status, race, sex, age, and Hispanic origin	Not seasonally adjusted			Seasonally adjusted[1]					
	Sept. 1990	Aug. 1991	Sept. 1991	Sept. 1990	May 1991	June 1991	July 1991	Aug. 1991	Sept. 1991
WHITE									
Civilian noninstitutional population	160,640	161,642	161,738	160,640	161,357	161,449	161,558	161,642	161,738
Civilian labor force	107,261	108,079	107,414	107,391	107,491	107,745	107,382	107,090	107,618
Participation rate	66.8	66.9	66.4	66.9	66.6	66.7	66.5	66.3	66.5
Employed	102,277	101,805	101,276	102,192	100,944	101,046	100,780	100,610	101,112
Employment-population ratio	63.7	63.0	62.6	63.6	62.8	62.6	62.4	62.2	62.5
Unemployed	4,984	6,273	6,138	5,199	6,547	6,699	6,622	6,480	6,505
Unemployment rate	4.6	5.8	5.7	4.8	6.1	6.2	6.2	6.1	6.0
Men, 20 years and over									
Civilian labor force	56,116	56,414	56,426	56,119	56,210	56,267	56,344	56,253	56,532
Participation rate	78.3	77.9	77.9	78.3	77.9	77.8	77.9	77.7	78.0
Employed	53,980	53,483	53,444	53,875	53,025	52,982	52,980	52,834	53,072
Employment-population ratio	75.4	73.9	73.8	74.9	73.5	73.3	73.2	73.1	73.3
Unemployed	2,125	2,950	2,982	2,444	3,185	3,304	3,365	3,318	3,459
Unemployment rate	3.8	5.2	5.3	4.4	5.7	5.9	6.0	5.9	6.1
Women, 20 years and over									
Civilian labor force	45,186	45,081	45,401	44,984	45,242	45,572	45,316	45,264	45,176
Participation rate	57.9	57.3	57.7	57.7	57.7	58.0	57.7	57.6	57.4
Employed	43,156	42,611	43,121	43,101	42,932	43,213	43,137	42,988	43,035
Employment-population ratio	55.3	54.2	54.8	55.3	54.7	55.0	54.9	54.7	54.7
Unemployed	2,011	2,450	2,280	1,883	2,310	2,360	2,179	2,256	2,141
Unemployment rate	4.5	5.4	5.0	4.2	5.1	5.2	4.8	5.0	4.7
Both sexes, 16 to 19 years									
Civilian labor force	5,979	6,804	5,587	6,288	6,039	5,906	5,722	5,584	5,910
Participation rate	54.3	62.0	52.8	57.1	56.3	55.3	53.7	52.5	55.8
Employed	5,132	5,731	4,711	5,416	4,987	4,871	4,693	4,678	5,006
Employment-population ratio	46.6	53.8	44.3	49.2	46.5	45.8	43.7	43.9	47.1
Unemployed	847	873	877	872	1,052	1,035	1,029	906	905
Unemployment rate	14.2	13.2	15.7	13.9	17.4	17.5	18.5	16.2	15.3
Men	15.0	13.2	16.5	15.0	19.3	19.8	20.0	16.8	16.4
Women	13.3	13.2	14.8	12.6	15.4	14.9	16.8	15.5	14.1
BLACK									
Civilian noninstitutional population	21,381	21,655	21,683	21,381	21,569	21,595	21,631	21,655	21,683
Civilian labor force	13,425	13,629	13,685	13,476	13,472	13,613	13,518	13,454	13,737
Participation rate	62.8	62.9	63.1	63.1	62.5	63.0	62.5	62.1	63.4
Employed	11,855	11,971	12,055	11,869	11,727	11,837	11,922	11,798	12,080
Employment-population ratio	55.5	55.3	55.6	55.6	54.4	54.8	55.1	54.5	55.7
Unemployed	1,569	1,658	1,630	1,607	1,745	1,777	1,596	1,656	1,657
Unemployment rate	11.7	12.2	11.9	11.9	13.0	13.1	11.8	12.3	12.1
Men, 20 years and over									
Civilian labor force	6,332	6,340	6,417	6,324	6,265	6,399	6,379	6,301	6,409
Participation rate	74.1	72.9	73.6	74.1	72.6	73.9	73.5	72.4	73.5
Employed	5,658	5,655	5,773	5,597	5,475	5,584	5,638	5,577	5,716
Employment-population ratio	66.3	65.0	66.2	65.5	63.5	64.5	64.9	64.1	65.6
Unemployed	674	685	644	727	790	815	741	724	693
Unemployment rate	10.6	10.8	10.0	11.5	12.6	12.7	11.6	11.5	10.8
Women, 20 years and over									
Civilian labor force	6,362	6,458	6,574	6,362	6,459	6,483	6,418	6,485	6,576
Participation rate	59.5	59.4	60.4	59.5	59.7	59.8	59.2	59.7	60.4
Employed	5,682	5,764	5,855	5,718	5,755	5,768	5,813	5,816	5,896
Employment-population ratio	53.2	53.1	53.8	53.5	53.2	53.2	53.6	53.5	54.2
Unemployed	680	694	719	644	705	715	605	669	680
Unemployment rate	10.7	10.7	10.9	10.2	10.9	11.0	9.4	10.3	10.3
Both sexes, 16 to 19 years									
Civilian labor force	731	832	694	790	747	732	719	668	752
Participation rate	34.2	39.7	33.2	37.0	35.1	34.8	34.3	31.9	36.0
Employed	515	553	427	556	497	485	470	420	468
Employment-population ratio	24.1	26.4	20.4	26.0	23.3	23.0	22.4	19.3	22.4
Unemployed	215	278	267	234	250	247	249	265	284
Unemployment rate	29.5	33.5	38.5	29.6	33.5	33.7	34.6	39.7	37.8
Men	30.5	30.3	40.6	31.4	36.7	37.4	31.8	37.5	40.8
Women	28.4	37.3	35.7	27.8	30.1	28.9	37.4	42.3	33.6

See footnotes at end of table.

Table A-2. Employment status of the civilian population by race, sex, age, and Hispanic origin — Continued

(Numbers in thousands)

Employment status, race, sex, age, and Hispanic origin	Not seasonally adjusted			Seasonally adjusted[1]					
	Sept. 1990	Aug. 1991	Sept. 1991	Sept. 1990	May 1991	June 1991	July 1991	Aug. 1991	Sept. 1991
HISPANIC ORIGIN									
Civilian noninstitutional population	14,398	14,829	14,868	14,398	14,711	14,751	14,790	14,829	14,868
Civilian labor force	9,629	9,933	9,848	9,832	9,695	9,737	9,834	9,747	9,863
Participation rate	66.9	67.0	66.2	68.9	65.9	66.0	66.5	65.7	66.3
Employed	8,852	8,945	8,808	8,809	8,758	8,761	8,903	8,778	8,764
Employment-population ratio	61.5	60.3	59.2	61.2	59.5	59.5	60.2	59.2	58.9
Unemployed	777	988	1,038	823	939	956	931	969	1,099
Unemployment rate	8.1	9.9	10.5	8.5	9.7	9.8	9.5	9.9	11.1

[1] The population figures are not adjusted for seasonal variation; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

NOTE: Detail for the above race and Hispanic-origin groups will not sum to totals because data for the "other races" group are not presented and Hispanics are included in both the white and black population groups.

Table A-3. Selected employment indicators

(In thousands)

Category	Not seasonally adjusted			Seasonally adjusted					
	Sept. 1990	Aug. 1991	Sept. 1991	Sept. 1990	May 1991	June 1991	July 1991	Aug. 1991	Sept. 1991
CHARACTERISTIC									
Civilian employed, 16 years and over	117,661	117,858	117,335	117,883	116,581	116,694	116,712	116,418	117,185
Married men, spouse present	41,083	40,502	40,753	40,823	40,280	40,337	40,503	40,462	40,510
Married women, spouse present	29,888	29,347	29,833	29,797	29,606	29,677	29,883	29,915	29,843
Women who maintain families	8,350	8,402	8,584	8,378	8,350	8,520	8,489	8,467	8,574
OCCUPATION									
Managerial and professional specialty	30,558	30,441	30,965	30,572	30,908	30,842	30,926	30,850	31,002
Technical, sales, and administrative support	36,356	36,091	35,879	36,541	36,233	36,283	35,891	35,876	36,098
Service occupations	15,719	16,337	15,948	15,889	15,700	16,142	16,138	15,939	16,075
Precision production, craft, and repair	13,828	13,351	13,084	13,804	13,181	13,207	13,057	13,102	13,045
Operators, fabricators, and laborers	18,047	17,815	17,765	17,814	17,188	16,974	17,184	17,121	17,509
Farming, forestry, and fishing	3,654	4,024	3,868	3,448	3,451	3,502	3,540	3,486	3,451
INDUSTRY AND CLASS OF WORKER									
Agriculture:									
Wage and salary workers	1,822	1,820	1,807	1,752	1,703	1,748	1,678	1,704	1,748
Self-employed workers	1,384	1,556	1,510	1,293	1,421	1,431	1,497	1,480	1,431
Unpaid family workers	103	132	108	108	117	115	120	102	118
Nonagricultural industries:									
Wage and salary workers	105,612	105,088	104,727	105,888	104,613	104,345	104,422	104,122	104,744
Government	17,487	17,291	17,647	17,597	17,904	17,898	17,988	17,908	17,955
Private industries	88,146	87,818	86,880	88,089	86,708	86,447	86,453	86,214	86,789
Private households	1,026	1,157	1,062	1,087	934	1,005	1,113	1,058	1,013
Other industries	87,120	86,661	85,818	87,022	85,775	85,441	85,340	85,156	85,775
Self-employed workers	8,810	8,949	8,980	8,808	8,732	8,968	8,980	8,817	8,980
Unpaid family workers	250	204	203	238	206	260	229	212	195
PERSONS AT WORK PART TIME[1]									
All industries:									
Part time for economic reasons	4,841	6,197	5,841	5,301	5,822	5,705	5,881	5,882	6,374
Slack work	2,386	2,919	3,048	2,858	3,138	3,144	3,081	3,075	3,417
Could only find part-time work	2,245	2,883	2,545	2,408	2,558	2,325	2,505	2,621	2,728
Voluntary part time	15,482	12,152	15,317	15,290	14,878	15,398	15,208	15,040	15,048
Nonagricultural industries:									
Part time for economic reasons	4,880	5,888	5,815	5,051	5,702	5,425	5,606	5,843	6,130
Slack work	2,203	2,733	2,829	2,482	2,971	2,984	2,915	2,886	3,207
Could only find part-time work	2,157	2,771	2,445	2,333	2,463	2,229	2,435	2,533	2,638
Voluntary part time	15,038	11,673	14,827	14,823	14,377	15,168	14,737	14,581	14,578

[1] Excludes persons "with a job but not at work" during the survey period for such reasons as vacation, illness, or industrial dispute.

Table A-4. Selected unemployment indicators, seasonally adjusted

Category	Number of unemployed persons (in thousands)			Unemployment rates[1]					
	Sept. 1990	Aug. 1991	Sept. 1991	Sept. 1990	May 1991	June 1991	July 1991	Aug. 1991	Sept. 1991
CHARACTERISTIC									
Total, 16 years and over	7,087	8,488	8,442	5.7	6.9	7.0	6.8	6.8	6.7
Men, 20 years and over	3,324	4,217	4,265	5.1	6.5	6.6	6.5	6.5	6.5
Women, 20 years and over	2,625	3,041	2,940	4.9	5.8	5.9	5.4	5.7	5.5
Both sexes, 16 to 19 years	1,138	1,230	1,237	15.7	19.1	19.2	20.6	19.0	18.0
Married men, spouse present	1,468	1,823	1,889	3.5	4.4	4.7	4.3	4.3	4.5
Married women, spouse present	1,225	1,379	1,418	3.9	4.6	4.7	4.3	4.4	4.5
Women who maintain families	610	688	639	8.7	9.1	9.2	8.3	9.6	8.9
Full-time workers	5,736	6,994	6,892	5.4	6.5	6.6	6.5	6.5	6.4
Part-time workers	1,294	1,472	1,492	7.2	9.0	8.8	8.3	8.2	8.3
Labor force time lost[2]	—	—	—	6.4	7.7	7.6	7.5	7.6	7.7
OCCUPATION[3]									
Managerial and professional specialty	705	937	891	2.3	3.0	2.8	2.9	2.9	2.8
Technical, sales, and administrative support	1,854	1,908	1,921	4.3	5.3	5.2	4.9	5.1	5.1
Precision production, craft, and repair	948	1,191	1,138	6.5	8.0	7.8	8.5	8.3	8.0
Operators, fabricators, and laborers	1,591	1,933	1,880	8.2	10.2	11.5	10.6	10.1	9.7
Farming, forestry, and fishing	228	307	304	6.2	7.1	7.6	6.7	6.1	6.1
INDUSTRY									
Nonagricultural private wage and salary workers	5,486	6,517	6,461	5.8	7.2	7.4	7.1	7.0	6.9
Goods-producing industries	2,036	2,500	2,458	7.1	9.0	9.7	9.1	8.9	8.7
Mining	27	56	55	3.8	8.4	8.5	8.7	7.5	11.1
Construction	751	919	956	12.0	14.7	15.8	16.7	16.1	15.7
Manufacturing	1,258	1,523	1,419	5.8	7.4	8.2	7.0	7.2	6.6
Durable goods	775	917	838	6.0	7.7	8.4	7.1	7.4	6.7
Nondurable goods	483	606	581	5.4	7.0	7.9	6.9	6.9	6.6
Service-producing industries	3,430	4,017	4,001	5.3	6.4	6.3	6.2	6.2	6.2
Transportation and public utilities	256	343	319	3.9	5.5	5.4	5.1	5.1	4.7
Wholesale and retail trade	1,568	1,772	1,851	6.6	7.7	7.6	6.1	7.8	7.8
Finance and service industries	1,604	1,902	1,837	4.7	5.7	5.7	5.1	5.5	5.3
Government workers	511	604	638	2.8	3.2	2.8	2.8	3.3	3.4
Agricultural wage and salary workers	179	231	214	9.3	11.2	12.2	11.5	11.9	10.9

[1] Unemployment as a percent of the civilian labor force.
[2] Aggregate hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force hours.
[3] Seasonally adjusted unemployment data for service occupations are not available because the seasonal components are small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.

Table A-5. Duration of unemployment

(Numbers in thousands)

Weeks of unemployment	Not seasonally adjusted			Seasonally adjusted					
	Sept. 1990	Aug. 1991	Sept. 1991	Sept. 1990	May 1991	June 1991	July 1991	Aug. 1991	Sept. 1991
DURATION									
Less than 5 weeks	3,230	3,307	3,452	3,087	3,654	3,427	3,368	3,385	3,322
5 to 14 weeks	2,112	2,743	2,433	2,452	2,717	2,662	2,722	2,602	2,632
15 weeks and over	1,476	2,188	2,185	1,805	2,234	2,573	2,348	2,398	2,362
15 to 26 weeks	755	1,014	1,087	861	1,206	1,411	1,215	1,221	1,224
27 weeks and over	721	1,174	1,098	744	1,028	1,162	1,132	1,175	1,138
Average (mean) duration, in weeks	12.2	13.9	13.9	12.4	12.9	14.2	13.9	14.0	14.0
Median duration, in weeks	5.1	7.1	6.3	6.1	6.5	6.9	6.8	7.2	7.5
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	47.4	40.1	42.8	43.2	42.5	38.7	39.9	40.4	39.0
5 to 14 weeks	31.0	33.3	30.2	34.3	31.8	32.3	32.3	31.0	33.3
15 weeks and over	21.6	26.6	27.1	22.5	26.0	29.0	27.8	28.6	27.7
15 to 26 weeks	11.1	12.3	13.5	12.1	14.0	15.9	14.4	14.6	14.4
27 weeks and over	10.6	14.2	13.6	10.4	11.9	13.1	13.4	14.0	13.4

HOUSEHOLD DATA

HOUSEHOLD DATA

Table A-6. Reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted			Seasonally adjusted					
	Sept. 1990	Aug. 1991	Sept. 1991	Sept. 1990	May 1991	June 1991	July 1991	Aug. 1991	Sept. 1991
NUMBER OF UNEMPLOYED									
Job losers	3,097	4,320	4,186	3,519	4,657	4,869	4,598	4,665	4,801
On layoff	826	1,081	831	1,111	1,343	1,388	1,188	1,291	1,129
Other job losers	2,271	3,259	3,365	2,408	3,314	3,481	3,408	3,384	3,672
Job leavers	1,055	963	1,026	954	1,053	1,080	980	883	829
Reentrants	2,074	2,180	2,142	1,952	2,202	2,143	2,047	2,112	2,017
New entrants	591	775	708	663	779	741	821	782	782
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	45.4	52.4	52.0	49.6	53.8	55.1	54.4	55.4	56.3
On layoff	12.1	12.9	10.3	15.7	15.5	15.7	14.1	15.2	13.2
Other job losers	33.3	39.6	41.7	34.0	38.1	39.4	40.3	40.2	43.1
Job leavers	15.5	11.7	12.7	13.5	12.1	12.3	11.7	10.5	10.9
Reentrants	30.4	26.5	26.5	27.5	25.3	24.2	24.3	25.1	23.6
New entrants	8.7	9.4	8.7	9.4	9.0	8.4	9.7	9.0	9.2
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE									
Job losers	2.5	3.4	3.3	2.8	3.7	3.8	3.7	3.7	3.8
Job leavers	.8	.8	.8	.8	.8	.9	.8	.7	.7
Reentrants	1.7	1.7	1.7	1.6	1.8	1.7	1.6	1.7	1.6
New entrants	.5	.6	.6	.5	.6	.6	.7	.6	.6

Table A-7. Range of unemployment measures based on varying definitions of unemployment and the labor force, seasonally adjusted

(Percent)

Measure	Quarterly averages					Monthly data		
	1990		1991			1991		
	III	IV	I	II	III	July	Aug.	Sept.
U-1 Persons unemployed 15 weeks or longer as a percent of the civilian labor force	1.3	1.3	1.8	1.9	1.9	1.9	1.9	1.9
U-2 Job losers as a percent of the civilian labor force	2.7	3.0	3.5	3.7	3.7	3.7	3.7	3.8
U-3 Unemployed persons 25 years and over as a percent of the civilian labor force for persons 25 years and over	4.4	4.7	5.3	5.5	5.4	5.3	5.5	5.4
U-4 Unemployed full-time jobseekers as a percent of the full-time civilian labor force	5.2	5.7	6.3	6.5	6.5	6.5	6.5	6.4
U-4a Total unemployed as a percent of the labor force, including the resident Armed Forces	5.5	5.8	6.4	6.7	6.7	6.7	6.7	6.6
U-4b Total unemployed as a percent of the civilian labor force	5.6	5.9	6.5	6.8	6.8	6.8	6.8	6.7
U-5 Total full-time jobseekers plus 1/2 part-time jobseekers plus 1/2 total on part time for economic reasons as a percent of the civilian labor force less 1/2 of the part-time labor force	7.6	8.1	9.0	9.2	9.2	9.2	9.2	9.3
U-7 Total full-time jobseekers plus 1/2 part-time jobseekers plus 1/2 total on part time for economic reasons plus discouraged workers as a percent of the civilian labor force plus discouraged workers less 1/2 of the part-time labor force	8.3	8.9	9.8	10.0	10.1	N.A.	N.A.	N.A.

N.A. = not available.

Table A-8. Unemployed persons by sex and age, seasonally adjusted

Sex and age	Number of unemployed persons (in thousands)			Unemployment rates[1]					
	Sept. 1990	Aug. 1991	Sept. 1991	Sept. 1990	May 1991	June 1991	July 1991	Aug. 1991	Sept. 1991
Total, 16 years and over	7,087	8,488	8,442	5.7	6.9	7.0	6.8	6.8	6.7
16 to 24 years	2,426	2,678	2,725	11.5	13.8	13.8	14.3	13.4	13.2
16 to 19 years	1,138	1,230	1,237	15.7	19.1	19.2	20.6	19.0	18.0
16 to 17 years	508	555	549	18.4	20.4	20.2	24.0	22.0	20.5
18 to 19 years	634	687	711	14.5	18.9	18.6	18.0	16.8	17.0
20 to 24 years	1,288	1,448	1,488	9.3	11.2	11.1	11.2	10.7	10.8
25 years and over	4,652	5,765	5,720	4.5	5.5	5.6	5.3	5.5	5.4
25 to 54 years	4,136	5,107	5,135	4.7	5.7	5.8	5.6	5.7	5.7
55 years and over	514	645	589	3.3	4.1	4.5	4.0	4.2	3.8
Men, 16 years and over	3,981	4,882	4,976	5.8	7.2	7.4	7.3	7.2	7.2
16 to 24 years	1,319	1,508	1,607	11.9	14.5	15.1	15.4	14.2	14.6
16 to 19 years	637	665	711	16.8	21.1	21.7	21.7	19.7	19.4
16 to 17 years	273	296	300	18.9	21.2	20.5	24.1	22.9	21.5
18 to 19 years	375	369	418	16.0	21.7	22.3	19.2	17.8	18.0
20 to 24 years	682	843	896	9.4	11.2	11.9	12.5	11.6	12.2
25 years and over	2,618	3,330	3,345	4.6	5.8	5.9	5.7	5.8	5.8
25 to 54 years	2,284	2,894	2,979	4.7	6.1	5.9	6.0	5.9	6.1
55 years and over	307	427	366	3.8	4.7	4.7	4.7	5.0	4.2
Women, 16 years and over	3,126	3,608	3,466	5.5	6.5	6.5	6.2	6.4	6.1
16 to 24 years	1,107	1,171	1,118	11.0	13.1	12.4	13.0	12.5	11.7
16 to 19 years	501	565	526	14.4	16.9	16.4	19.4	18.4	16.4
16 to 17 years	233	258	248	17.8	19.5	19.9	23.9	20.8	19.5
18 to 19 years	270	306	283	12.0	15.8	14.8	16.7	16.0	15.2
20 to 24 years	606	605	592	9.2	11.1	10.3	9.8	9.8	9.3
25 years and over	2,038	2,435	2,375	4.4	5.1	5.3	4.8	5.1	5.0
25 to 54 years	1,852	2,212	2,155	4.6	5.4	5.5	5.0	5.4	5.3
55 years and over	177	217	223	2.7	3.3	4.2	3.1	3.3	3.3

[1] Unemployment as a percent of the civilian labor force.

Table A-9. Employment status of male Vietnam-era veterans and nonveterans by age, not seasonally adjusted

(Numbers in thousands)

Veteran status and age	Civilian nonnstitutional population		Civilian labor force							
			Total		Employed		Unemployed			
							Number		Percent of labor force	
	Sept. 1990	Sept. 1991	Sept. 1990	Sept. 1991	Sept. 1990	Sept. 1991	Sept. 1990	Sept. 1991	Sept. 1990	Sept. 1991
VIETNAM-ERA VETERANS										
Total, 35 years and over	7,668	7,805	7,010	7,120	6,742	6,762	268	358	3.8	5.0
35 to 49 years	6,507	6,441	6,186	6,096	5,916	5,777	250	319	4.0	5.2
35 to 39 years	1,380	1,109	1,295	1,040	1,216	957	79	83	6.1	8.0
40 to 44 years	3,263	3,031	3,098	2,902	2,975	2,756	121	146	3.9	5.0
45 to 49 years	1,862	2,301	1,775	2,153	1,725	2,063	50	90	2.8	4.2
50 years and over	1,161	1,364	844	1,025	825	986	19	39	2.2	3.8
NONVETERANS										
Total, 35 to 49 years	17,623	18,578	16,520	17,380	15,968	16,588	553	772	3.3	4.4
35 to 39 years	8,094	8,518	7,678	8,041	7,420	7,668	258	375	3.3	4.7
40 to 44 years	5,334	5,838	4,971	5,434	4,797	5,207	174	227	3.5	4.2
45 to 49 years	4,195	4,222	3,873	3,886	3,751	3,716	122	170	3.2	4.4

NOTE: Male Vietnam-era veterans are men who served in the Armed Forces between August 5, 1964 and May 7, 1975. Nonveterans are men who have never served in the Armed Forces; published data are limited to those 35 to 49 years of age, the group that most closely corresponds to the bulk of the Vietnam-era veteran population.

HOUSEHOLD DATA

Table A-10. Employment status of the civilian population for 11 large states

(Numbers in thousands)

State and employment status	Not seasonally adjusted[1]			Seasonally adjusted[2]					
	Sept. 1990	Aug. 1991	Sept. 1991	Sept. 1990	May 1991	June 1991	July 1991	Aug. 1991	Sept. 1991
California									
Civilian noninstitutional population	22,039	22,486	22,528	22,039	22,363	22,403	22,447	22,486	22,528
Civilian labor force	14,608	15,024	14,969	14,634	14,655	14,753	14,725	14,885	15,006
Employed	13,761	13,942	13,846	13,764	13,530	13,545	13,609	13,796	13,853
Unemployed	846	1,082	1,123	870	1,125	1,208	1,116	1,089	1,153
Unemployment rate	5.8	7.2	7.5	5.9	7.7	8.2	7.6	7.3	7.7
Florida									
Civilian noninstitutional population	10,169	10,384	10,404	10,169	10,324	10,344	10,385	10,384	10,404
Civilian labor force	6,419	6,556	6,473	6,420	6,405	6,396	6,413	6,480	6,474
Employed	6,024	6,010	5,954	6,030	5,927	5,918	5,913	5,956	5,958
Unemployed	395	546	518	390	478	478	500	524	516
Unemployment rate	6.2	8.3	8.0	6.1	7.5	7.5	7.8	8.1	8.0
Illinois									
Civilian noninstitutional population	8,882	8,922	8,926	8,882	8,910	8,914	8,919	8,922	8,926
Civilian labor force	6,029	6,095	6,010	6,010	5,979	6,061	6,042	6,035	5,998
Employed	5,636	5,654	5,612	5,587	5,623	5,620	5,636	5,598	5,569
Unemployed	393	441	398	423	356	441	406	437	428
Unemployment rate	6.5	7.2	6.6	7.0	6.0	7.3	6.7	7.2	7.1
Massachusetts									
Civilian noninstitutional population	4,621	4,624	4,624	4,621	4,623	4,623	4,624	4,624	4,624
Civilian labor force	3,147	3,108	3,125	3,167	3,130	3,105	3,089	3,047	3,141
Employed	2,953	2,834	2,846	2,966	2,828	2,816	2,818	2,766	2,853
Unemployed	194	275	279	201	302	289	281	279	288
Unemployment rate	6.2	8.8	8.9	6.3	9.6	9.3	9.1	9.2	9.2
Michigan									
Civilian noninstitutional population	7,003	7,019	7,020	7,003	7,014	7,015	7,018	7,019	7,020
Civilian labor force	4,579	4,532	4,510	4,570	4,545	4,552	4,448	4,428	4,502
Employed	4,265	4,138	4,093	4,238	4,110	4,138	4,075	4,026	4,065
Unemployed	315	393	417	332	435	414	371	402	437
Unemployment rate	6.9	8.7	9.2	7.3	9.6	9.1	8.3	9.1	9.7
New Jersey									
Civilian noninstitutional population	6,027	6,025	6,025	6,027	6,025	6,025	6,026	6,025	6,025
Civilian labor force	4,041	4,076	4,018	4,075	3,985	4,058	4,054	4,033	4,047
Employed	3,838	3,817	3,777	3,862	3,716	3,789	3,800	3,764	3,795
Unemployed	203	258	241	213	269	269	254	269	252
Unemployment rate	5.0	6.3	6.0	5.2	6.8	6.6	6.3	6.7	6.2
New York									
Civilian noninstitutional population	13,801	13,801	13,802	13,801	13,799	13,800	13,802	13,801	13,802
Civilian labor force	8,671	8,614	8,557	8,711	8,712	8,642	8,511	8,526	8,601
Employed	8,198	7,993	7,975	8,237	8,071	7,978	7,909	7,894	8,016
Unemployed	473	621	582	474	641	664	602	642	585
Unemployment rate	5.5	7.2	6.8	5.4	7.4	7.7	7.1	7.5	6.8

See footnotes at end of table.

Table A-10. Employment status of the civilian population for 11 large states — Continued

(Numbers in thousands)

State and employment status	Not seasonally adjusted[1]			Seasonally adjusted[2]					
	Sept. 1990	Aug. 1991	Sept. 1991	Sept. 1990	May 1991	June 1991	July 1991	Aug. 1991	Sept. 1991
North Carolina									
Civilian noninstitutional population	5,012	5,069	5,075	5,012	5,053	5,058	5,064	5,069	5,075
Civilian labor force	3,397	3,514	3,530	3,413	3,412	3,443	3,426	3,476	3,545
Employed	3,286	3,322	3,342	3,282	3,183	3,230	3,214	3,272	3,336
Unemployed	110	192	187	131	229	213	212	204	209
Unemployment rate	3.3	5.5	5.3	3.8	6.7	6.2	6.2	5.9	5.9
Ohio									
Civilian noninstitutional population	8,290	8,314	8,316	8,290	8,306	8,309	8,312	8,314	8,316
Civilian labor force	5,436	5,429	5,435	5,447	5,467	5,447	5,497	5,373	5,443
Employed	5,177	5,102	5,126	5,156	5,163	5,100	5,119	5,008	5,095
Unemployed	259	327	309	291	304	347	378	365	348
Unemployment rate	4.8	6.0	5.7	5.3	5.6	6.4	6.9	6.8	6.4
Pennsylvania									
Civilian noninstitutional population	9,393	9,418	9,419	9,393	9,409	9,411	9,415	9,416	9,419
Civilian labor force	5,858	5,950	5,915	5,870	5,968	5,940	5,952	5,908	5,921
Employed	5,561	5,566	5,542	5,549	5,510	5,543	5,534	5,475	5,520
Unemployed	297	384	373	321	458	397	418	433	401
Unemployment rate	5.1	6.5	6.3	5.5	7.7	6.7	7.0	7.3	6.8
Texas									
Civilian noninstitutional population	12,404	12,551	12,565	12,404	12,509	12,523	12,538	12,551	12,565
Civilian labor force	8,491	8,545	8,525	8,474	8,546	8,543	8,619	8,467	8,515
Employed	7,965	8,005	7,978	7,940	8,000	8,061	8,038	7,920	7,956
Unemployed	526	541	547	534	546	482	581	547	559
Unemployment rate	6.2	6.3	6.4	6.3	6.4	5.6	6.7	6.5	6.6

[1] These are the official Bureau of Labor Statistics' estimates used in the administration of Federal fund allocation programs.

[2] The population figures are not adjusted for seasonal variation; therefore, identical numbers appear in the unadjusted and the seasonally adjusted columns.

Table A-11. Persons not in the labor force by reason, sex, and race, quarterly averages

(In thousands)

Reason, sex, and race	Not seasonally adjusted		Seasonally adjusted				
	1990	1991	1990		1991		
	III	III	III	IV	I	II	III
TOTAL							
Total not in labor force	62,370	63,702	63,471	63,772	64,099	64,012	64,738
Do not want a job now	57,297	58,193	58,248	58,188	58,404	58,837	59,022
Current activity: Going to school	4,336	4,432	6,927	6,707	6,614	6,837	7,001
Ill, disabled	5,075	5,008	5,099	5,115	4,963	4,858	5,026
Keeping house	23,656	23,322	23,618	23,562	23,117	23,440	23,308
Retired	18,751	19,629	18,542	18,598	19,110	19,015	19,400
Other activity	5,478	5,803	4,061	4,206	4,600	4,481	4,287
Want a job now	5,075	5,509	5,356	5,530	5,728	5,519	5,846
Reason not looking: School attendance	850	927	1,410	1,393	1,432	1,371	1,525
Ill health, disability	867	1,007	876	947	1,009	870	1,023
Home responsibilities	1,362	1,288	1,226	1,156	1,201	1,148	1,157
Think cannot get a job	841	1,076	831	841	887	861	1,076
Job-market factors	522	688	519	568	657	711	682
Personal factors	319	388	312	353	340	270	382
Other reasons[1]	1,183	1,210	1,010	1,100	1,088	1,148	1,088
Men							
Total, not in labor force	20,784	21,508	21,387	21,505	21,908	21,963	22,191
Do not want a job now	18,082	18,564	18,674	18,567	18,673	20,016	20,136
Want a job now	1,722	1,952	1,951	1,927	2,151	2,007	2,203
Reason not looking: School attendance	418	425	713	828	788	840	728
Ill health, disability	448	530	438	453	532	422	516
Think cannot get a job	384	476	386	383	406	430	480
Other reasons[1]	483	519	407	462	429	514	467
Women							
Total, not in labor force	41,586	42,186	41,875	42,267	42,190	42,088	42,546
Do not want a job now	39,234	39,639	39,574	39,621	39,731	39,822	39,883
Want a job now	3,351	3,557	3,405	3,809	3,578	3,513	3,643
Reason not looking: School attendance	431	502	698	763	643	731	798
Ill health, disability	411	478	441	494	477	448	504
Home responsibilities	1,362	1,288	1,228	1,156	1,201	1,148	1,157
Think cannot get a job	447	587	438	568	502	561	585
Other reasons	700	682	800	836	844	834	588
White							
Total, not in labor force	52,410	53,467	53,302	53,548	53,801	53,719	54,283
Do not want a job now	48,693	49,462	49,362	49,836	49,843	49,891	50,106
Want a job now	3,898	4,005	3,908	3,905	4,186	3,770	4,320
Reason not looking: School attendance	580	644	983	874	1,046	908	1,101
Ill health, disability	841	757	864	748	737	583	800
Home responsibilities	1,015	997	904	829	913	820	980
Think cannot get a job	554	714	588	612	651	611	760
Other reasons[1]	898	918	768	843	848	838	800
Black							
Total, not in labor force	7,736	7,917	7,911	7,808	7,982	7,983	8,087
Do not want a job now	6,576	6,676	6,706	6,486	6,693	6,533	6,826
Want a job now	1,158	1,241	1,239	1,408	1,287	1,494	1,379
Reason not looking: School attendance	204	238	340	440	314	377	417
Ill health, disability	187	219	181	183	233	248	208
Home responsibilities	320	250	310	300	277	274	237
Think cannot get a job	344	309	203	265	268	344	265
Other reasons[1]	203	226	205	217	174	251	252

[1] Includes small number of men not looking for work because of "home responsibilities."

NOTE: Detail may not add to non-in-labor force totals because of the weighting procedures.

ESTABLISHMENT DATA

Table B-1. Employees on nonfarm payrolls by industry

(In thousands)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Sept. 1990	July 1991	Aug. 1991p/	Sept. 1991p/	Sept. 1990	May 1991	June 1991	July 1991	Aug. 1991p/	Sept. 1991p/
Total	110,478	108,607	108,655	109,317	110,113	108,887	108,885	108,859	108,936	108,960
Total private	92,412	91,145	91,389	91,194	91,785	90,447	90,429	90,439	90,527	90,578
Goods-producing industries	25,277	24,044	24,252	24,192	24,842	23,847	23,792	23,798	23,820	23,783
Mining	720	710	704	693	711	706	704	701	693	684
Oil and gas extraction	398.2	398.7	394.4	386.8	396	399	398	394	390	385
Construction	5,359	4,972	5,001	4,953	5,088	4,715	4,710	4,695	4,691	4,685
General building contractors	1,346.7	1,230.5	1,235.1	1,205.1	1,294	1,177	1,172	1,170	1,166	1,158
Manufacturing	19,198	18,362	18,547	18,566	19,043	18,426	18,378	18,402	18,436	18,414
Production workers	13,071	12,384	12,571	12,605	12,920	12,429	12,410	12,448	12,479	12,454
Durable goods	11,105	10,511	10,564	10,588	11,049	10,575	10,534	10,546	10,552	10,537
Production workers	7,379	6,922	6,983	7,019	7,322	6,964	6,943	6,971	6,982	6,964
Lumber and wood products	751.2	714.6	716.7	713.2	733	697	696	699	699	696
Furniture and fixtures	509.8	468.5	480.0	483.4	508	483	483	478	481	481
Stone, clay, and glass products	561.8	528.2	532.6	531.8	552	519	518	520	523	523
Primary metal industries	756.5	715.5	723.8	723.6	754	721	718	721	723	721
Blast furnaces and basic steel products	275.2	260.8	261.5	261.9	275	261	260	260	260	262
Fabricated metal products	1,429.0	1,348.1	1,359.0	1,368.4	1,421	1,354	1,358	1,359	1,362	1,360
Industrial machinery and equipment	2,071.6	1,978.1	1,970.9	1,972.6	2,079	2,003	1,990	1,984	1,979	1,981
Electronic and other electrical equipment	1,660.2	1,582.7	1,587.7	1,584.3	1,657	1,599	1,594	1,589	1,586	1,581
Transportation equipment	1,983.2	1,847.5	1,856.9	1,873.5	1,971	1,863	1,865	1,861	1,868	1,862
Motor vehicles and equipment	822.0	778.4	788.1	804.1	810	780	770	791	795	792
Instruments and related products	996.9	968.1	967.9	966.3	998	973	969	968	966	967
Miscellaneous manufacturing	382.3	359.2	368.1	371.3	376	363	363	367	365	365
Nondurable goods	8,095	7,851	7,983	7,978	7,994	7,851	7,844	7,856	7,884	7,877
Production workers	5,692	5,462	5,588	5,586	5,598	5,465	5,467	5,477	5,497	5,490
Food and kindred products	1,752.5	1,698.2	1,762.2	1,759.6	1,670	1,677	1,677	1,660	1,681	1,676
Tobacco products	51.8	45.3	49.8	50.5	49	48	48	49	50	47
Textile mill products	690.4	662.5	673.9	675.6	689	665	665	671	671	67.
Apparel and other textile products	1,045.5	1,002.2	1,032.0	1,036.9	1,039	1,013	1,017	1,032	1,031	1,031
Paper and allied products	701.8	693.5	697.4	694.1	700	690	687	689	692	693
Printing and publishing	1,568.1	1,529.0	1,527.1	1,523.8	1,575	1,540	1,531	1,532	1,532	1,530
Chemicals and allied products	1,097.2	1,091.2	1,095.4	1,090.5	1,096	1,086	1,086	1,084	1,088	1,089
Petroleum and coal products	160.3	162.8	162.9	160.8	158	159	159	159	159	159
Rubber and misc. plastics products	895.1	848.8	860.4	864.7	892	854	854	857	860	861
Leather and leather products	132.2	117.2	121.8	121.2	130	119	120	123	120	119
Service-producing industries	85,201	84,563	84,403	85,125	85,271	85,040	85,093	85,061	85,116	85,177
Transportation and public utilities	5,901	5,811	5,820	5,867	5,856	5,819	5,809	5,809	5,818	5,819
Transportation	3,626	3,532	3,545	3,611	3,583	3,556	3,546	3,550	3,563	3,565
Communications and public utilities	2,275	2,279	2,275	2,256	2,273	2,263	2,263	2,259	2,255	2,254
Wholesale trade	6,220	6,103	6,084	6,065	6,204	6,085	6,068	6,064	6,049	6,047
Durable goods	3,622	3,550	3,517	3,492	3,626	3,528	3,517	3,509	3,500	3,492
Nondurable goods	2,598	2,573	2,567	2,573	2,580	2,557	2,551	2,555	2,549	2,555
Retail trade	19,742	19,444	19,478	19,396	19,698	19,339	19,365	19,347	19,343	19,357
General merchandise stores	2,472.0	2,295.4	2,308.5	2,312.4	2,511	2,356	2,358	2,347	2,351	2,348
Food stores	3,230.5	3,245.3	3,229.0	3,218.9	3,239	3,225	3,229	3,232	3,226	3,229
Automotive dealers and service stations	2,099.5	2,064.2	2,064.3	2,058.9	2,082	2,031	2,034	2,038	2,038	2,041
Eating and drinking places	6,713.2	6,742.3	6,759.9	6,706.8	6,577	6,571	6,571	6,578	6,569	6,575
Finance, insurance, and real estate	6,764	6,780	6,770	6,699	6,750	6,712	6,703	6,688	6,685	6,684
Finance	3,303	3,304	3,302	3,275	3,306	3,287	3,281	3,275	3,276	3,278
Insurance	2,121	2,135	2,130	2,117	2,126	2,132	2,130	2,122	2,122	2,121
Real estate	1,340	1,341	1,338	1,307	1,318	1,293	1,292	1,291	1,287	1,285
Services	28,508	28,963	28,985	28,975	28,437	28,645	28,712	28,733	28,812	28,888
Business services	5,365.1	5,312.0	5,369.8	5,399.3	5,291	5,278	5,280	5,280	5,311	5,320
Health services	7,925.7	8,281.6	8,314.0	8,327.4	7,929	8,165	8,206	8,249	8,289	8,327
Government	18,066	17,462	17,266	18,123	18,328	18,440	18,456	18,420	18,409	18,382
Federal	2,987	3,002	2,997	2,975	2,996	2,952	2,971	2,963	2,973	2,981
State	4,262	4,108	4,098	4,261	4,328	4,348	4,359	4,338	4,332	4,326
Local	10,817	10,352	10,171	10,887	11,006	11,140	11,126	11,119	11,104	11,075

p/ = preliminary.

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-2. Average weekly hours of production or nonsupervisory workers1/ on private nonfarm payrolls by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	Sept. 1990	July 1991	Aug. 1991p/	Sept. 1991p/	Sept. 1990	May 1991	June 1991	July 1991	Aug. 1991p/	Sept. 1991p/
Total private	34.8	34.5	34.7	34.6	34.6	34.3	34.6	34.1	34.4	34.5
Mining	45.1	43.6	44.6	44.9	44.7	44.9	45.0	43.9	44.6	44.2
Construction	39.1	38.6	38.8	39.1	(2)	(2)	(2)	(2)	(2)	(2)
Manufacturing	41.3	40.4	40.9	41.3	40.9	40.4	40.8	40.7	41.0	40.9
Overtime hours	4.1	3.6	3.9	4.1	3.7	3.4	3.7	3.7	3.8	3.7
Durable goods	41.8	40.7	41.2	41.8	41.5	40.8	41.3	41.2	41.5	41.4
Overtime hours	4.1	3.5	3.8	4.0	3.8	3.5	3.7	3.7	3.8	3.6
Lumber and wood products	40.9	39.8	40.6	40.9	40.7	39.7	40.6	40.0	40.2	40.5
Furniture and fixtures	39.8	38.7	39.6	40.0	39.2	38.9	39.3	39.2	39.2	39.2
Stone, clay, and glass products	42.7	42.0	42.2	42.6	42.2	41.5	42.0	41.9	41.6	42.0
Primary metal industries	43.2	42.3	42.6	42.9	43.0	41.6	42.3	42.6	43.0	42.6
Blast furnaces and basic steel products	43.9	43.1	43.5	43.3	43.7	41.8	42.6	43.1	43.9	43.0
Fabricated metal products	41.8	40.6	41.4	41.9	41.6	40.8	41.2	41.3	41.6	41.6
Industrial machinery and equipment	42.2	41.2	41.6	42.1	42.1	41.2	41.8	41.6	42.1	41.9
Electronic and other electrical equipment	41.2	40.0	40.5	40.9	41.1	40.6	40.7	40.7	40.8	40.6
Transportation equipment	42.9	41.7	41.8	42.7	42.8	41.2	42.1	42.3	42.4	42.2
Motor vehicles and equipment	44.0	42.6	42.6	45.5	43.1	41.5	42.9	43.6	43.2	42.5
Instruments and related products	41.3	40.1	40.7	41.2	41.3	40.8	41.0	40.6	41.0	41.2
Miscellaneous manufacturing	39.9	38.8	40.0	40.3	39.9	39.3	39.7	39.6	40.0	40.2
Nondurable goods	40.6	39.9	40.5	40.7	40.2	39.9	40.1	40.1	40.4	40.3
Overtime hours	4.1	3.7	4.0	4.2	3.6	3.5	3.7	3.7	3.8	3.7
Food and kindred products	41.9	40.4	41.1	41.1	41.2	40.3	40.6	40.4	40.5	40.3
Tobacco products	40.9	38.4	38.9	39.8	(2)	(2)	(2)	(2)	(2)	(2)
Textile mill products	40.4	40.6	41.8	41.9	39.9	40.2	40.8	41.0	41.4	41.4
Apparel and other textile products	36.7	36.8	37.4	37.6	36.6	36.7	36.9	37.0	37.3	37.4
Paper and allied products	43.7	43.2	43.3	43.9	43.2	43.0	43.2	43.3	43.5	43.5
Printing and publishing	38.5	37.3	38.1	38.2	38.0	37.5	37.8	37.6	37.9	37.7
Chemicals and allied products	42.7	42.3	42.7	43.1	42.7	42.5	42.8	42.6	43.2	43.1
Petroleum and coal products	45.5	43.9	43.7	44.7	(2)	(2)	(2)	(2)	(2)	(2)
Rubber and misc. plastics products	41.6	40.5	41.3	41.6	41.4	40.9	41.1	41.1	41.5	41.3
Leather and leather products	37.5	37.7	37.7	37.8	37.5	37.2	37.6	37.7	37.2	37.6
Transportation and public utilities	39.2	38.9	38.9	39.1	39.1	38.8	38.9	38.4	38.7	38.9
Wholesale trade	38.3	38.1	38.2	38.4	38.2	38.2	38.4	37.9	38.2	38.2
Retail trade	28.9	29.3	29.3	28.7	28.9	28.7	28.9	28.4	28.6	28.7
Finance, insurance, and real estate	36.1	35.6	35.7	36.2	(2)	(2)	(2)	(2)	(2)	(2)
Services	32.7	32.6	32.7	32.6	32.8	32.5	32.7	32.2	32.4	32.6

1/ Data relate to production workers in mining and manufacturing; construction workers in construction; and nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approximately four-fifths of the total employees on private nonfarm payrolls.

2/ These series are not published seasonally adjusted since the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.

p = preliminary.

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers1/ on private nonfarm payrolls by industry

Industry	Average hourly earnings				Average weekly earnings			
	Sept. 1990	July 1991	Aug. 1991p/	Sept. 1991p/	Sept. 1990	July 1991	Aug. 1991p/	Sept. 1991p/
Total private	$10.15	$10.30	$10.30	$10.46	$353.22	$355.35	$357.41	$361.92
Seasonally adjusted	10.10	10.36	10.40	10.42	349.46	353.28	357.76	359.49
Mining	13.86	14.20	14.20	14.38	625.09	619.12	633.32	645.66
Construction	13.97	13.97	14.02	14.13	546.23	539.24	543.98	552.48
Manufacturing	10.93	11.22	11.18	11.26	451.41	453.29	457.26	465.04
Durable goods	11.49	11.81	11.77	11.85	480.28	480.67	484.92	495.35
Lumber and wood products	9.21	9.36	9.35	9.40	376.69	371.73	379.61	384.46
Furniture and fixtures	8.63	8.78	8.85	8.87	343.47	339.79	349.67	356.80
Stone, clay, and glass products	11.23	11.42	11.41	11.47	479.52	479.64	481.50	488.62
Primary metal industries	13.06	13.44	13.41	13.44	564.19	568.51	571.27	576.58
Blast furnaces and basic steel products	14.98	15.51	15.42	15.36	657.62	668.48	670.77	665.09
Fabricated metal products	10.95	11.23	11.23	11.30	457.71	455.94	464.92	473.47
Industrial machinery and equipment	11.94	12.17	12.13	12.21	503.87	501.40	504.61	514.04
Electronic and other electrical equipment	10.41	10.77	10.78	10.81	428.89	430.80	436.59	442.13
Transportation equipment	14.30	14.91	14.83	14.98	613.47	621.75	619.89	639.65
Motor vehicles and equipment	14.84	15.54	15.33	15.52	652.96	662.00	649.99	675.12
Instruments and related products	11.45	11.71	11.70	11.75	472.89	469.57	476.19	484.10
Miscellaneous manufacturing	8.62	8.83	8.86	8.92	343.94	342.60	353.60	359.48
Nondurable goods	10.19	10.47	10.42	10.49	413.71	417.75	422.01	426.94
Food and kindred products	9.54	9.87	9.82	9.86	399.73	398.75	403.60	405.25
Tobacco products	15.92	18.31	16.65	16.16	651.13	703.10	647.69	645.17
Textile mill products	8.09	8.27	8.36	8.41	326.84	335.76	349.65	352.38
Apparel and other textile products	6.68	6.79	6.81	6.85	245.16	249.87	254.69	257.56
Paper and allied products	12.45	12.78	12.73	12.81	543.19	552.10	551.21	562.36
Printing and publishing	11.40	11.49	11.57	11.70	438.90	428.58	440.82	446.94
Chemicals and allied products	13.64	14.16	14.06	14.14	582.43	598.97	599.51	609.43
Petroleum and coal products	16.40	16.87	16.80	17.12	742.92	740.59	734.16	765.26
Rubber and misc. plastics products	9.87	10.11	10.13	10.17	410.59	409.46	418.37	423.07
Leather and leather products	6.95	7.10	7.11	7.16	260.63	267.67	268.05	270.65
Transportation and public utilities	13.08	13.25	13.24	13.31	512.74	515.43	515.04	520.7
Wholesale trade	10.93	11.14	11.13	11.24	418.62	424.43	425.17	431.6
Retail trade	6.83	6.98	6.97	7.07	197.39	204.51	204.22	202.91
Finance, insurance, and real estate	10.10	10.36	10.36	10.52	364.61	368.82	369.85	380.82
Services	9.95	10.13	10.14	10.35	325.37	330.24	331.58	337.41

1/ See footnote 1, table B-2.

p = preliminary.

Table B-4. Average hourly earnings of production or nonsupervisory workers1/ on private nonfarm payrolls by industry, seasonally adjusted

Industry	Sept. 1990	May 1991	June 1991	July 1991	Aug. 1991p/	Sept. 1991p/	Percent change from: Aug. 1991-Sept. 1991
Total private:							
Current dollars	$10.10	$10.32	$10.37	$10.36	$10.40	$10.42	0.2
Constant (1982) dollars2/	7.48	7.47	7.49	7.47	7.49	N.A.	(3)
Mining	13.85	14.13	14.30	14.24	14.31	14.37	.4
Construction	13.86	14.00	13.98	14.01	14.06	14.02	-.3
Manufacturing	10.91	11.15	11.19	11.22	11.26	11.24	-.2
Excluding overtime4/	10.44	10.70	10.71	10.74	10.76	10.75	-.1
Transportation and public utilities	13.03	13.24	13.23	13.26	13.28	13.26	-.2
Wholesale trade	10.92	11.12	11.23	11.14	11.21	11.23	.2
Retail trade	6.81	6.98	7.01	7.03	7.04	7.05	.1
Finance, insurance, and real estate	10.12	10.35	10.50	10.40	10.46	10.54	.8
Services	9.94	10.24	10.29	10.25	10.29	10.34	.5

1/ See footnote 1, table B-2.

2/ The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) is used to deflate this series.

4/ Derived by assuming that overtime hours are paid at the rate of time and one-half.

not available

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers1/ on private nonfarm payrolls by industry

(1982=100)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Sept. 1990	July 1991	Aug. 1991p/	Sept. 1991p/	Sept. 1990	May 1991	June 1991	July 1991	Aug. 1991p/	Sept. 1991p/
Total private	125.8	123.0	124.0	123.5	124.4	121.2	122.1	120.7	121.5	122.1
Goods-producing industries	113.4	104.5	107.2	107.9	109.6	103.2	103.8	103.8	104.4	104.2
Mining	66.8	62.8	63.7	63.8	64.9	64.4	64.2	62.5	62.5	61.0
Construction	148.9	134.6	136.4	135.4	137.2	124.4	124.4	123.8	123.6	124.7
Manufacturing	108.9	100.8	103.7	105.0	106.6	101.2	102.0	102.3	103.1	102.8
Durable goods	107.0	97.7	99.8	101.6	105.5	98.4	99.4	99.6	100.3	99.9
Lumber and wood products	134.2	123.8	126.7	127.0	129.4	119.7	122.4	121.3	121.9	122.6
Furniture and fixtures	125.0	111.3	117.4	119.7	123.2	115.6	117.1	115.5	116.5	116.8
Stone, clay, and glass products	113.0	103.6	105.4	106.0	109.2	100.4	101.6	101.6	101.6	102.4
Primary metal industries	94.1	84.1	88.1	88.9	93.0	85.8	86.7	87.8	89.8	87.8
Blast furnaces and basic steel products	85.1	76.6	77.6	77.6	82.7	74.7	75.7	76.2	78.0	76.8
Fabricated metal products	109.4	99.2	102.2	104.7	107.6	100.4	101.6	102.1	102.9	103.2
Industrial machinery and equipment	96.7	88.9	89.6	91.1	96.7	90.5	91.2	90.3	91.5	90.9
Electronic and other electrical equipment	106.9	98.6	100.6	101.6	105.7	101.1	101.5	101.4	101.6	100.5
Transportation equipment	121.8	110.5	111.7	115.7	119.7	109.5	111.0	113.9	114.8	115.4
Motor vehicles and equipment	133.2	122.9	123.9	130.1	130.4	118.6	121.8	128.6	128.3	129.7
Instruments and related products	87.5	80.8	82.2	83.2	86.5	83.4	83.5	82.5	82.7	82.6
Miscellaneous manufacturing	104.8	94.0	100.2	102.1	102.0	96.2	97.1	98.4	99.0	99.5
Nondurable goods	111.5	105.1	109.2	109.8	108.4	105.2	105.8	106.0	107.1	106.7
Food and kindred products	121.1	111.9	119.5	119.6	111.4	110.0	110.4	109.0	110.9	109.9
Tobacco products	78.4	62.5	71.5	73.6	72.2	69.5	68.8	69.7	71.6	66.4
Textile mill products	99.5	95.7	100.4	100.8	97.5	95.2	96.8	98.0	98.7	98.9
Apparel and other textile products	94.3	90.4	95.8	95.7	93.2	91.2	92.1	94.2	94.8	94.6
Paper and allied products	112.2	109.8	110.9	112.1	110.8	108.8	108.9	109.7	110.5	110.7
Printing and publishing	128.8	121.0	123.2	125.3	128.0	122.1	122.7	122.6	123.3	122.6
Chemicals and allied products	105.1	100.8	102.4	102.7	104.6	101.6	101.9	100.9	102.7	102.5
Petroleum and coal products	90.5	86.4	86.0	88.3	87.7	88.4	86.2	85.4	86.2	85.4
Rubber and misc. plastics products	130.7	119.2	123.7	125.5	129.2	121.1	122.1	122.9	124.2	123.8
Leather and leather products	62.4	54.9	57.5	57.4	61.3	55.4	56.0	57.3	56.9	56.0
Service-producing industries	131.4	131.3	131.6	130.5	131.0	129.3	130.3	128.2	129.2	130.0
Transportation and public utilities	117.5	114.9	115.3	116.8	116.0	114.7	114.8	113.5	114.5	115.2
Wholesale trade	117.3	114.4	114.4	114.4	116.7	114.2	114.5	112.9	113.4	113.5
Retail trade	124.1	124.0	124.0	120.8	124.1	120.6	121.5	119.3	120.1	120.5
Finance, insurance, and real estate	122.2	120.9	121.0	120.9	122.3	119.7	121.3	117.9	118.9	120.6
Services	147.6	149.3	149.9	149.1	147.5	147.1	148.5	146.4	147.7	148.9

1/ See footnote 1, table B-2.

p = preliminary.

ESTABLISHMENT DATA

Table B-6. Diffusion indexes of employment change, seasonally adjusted

(Percent)

Time span	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept	Oct.	Nov.	Dec.
	Private nonfarm payrolls, 356 industries 1/											
Over 1-month span:												
1989	64.5	59.0	58.7	53.9	52.7	53.8	52.9	54.6	49.2	56.6	59.6	52.1
1990	58.1	58.1	52.2	48.7	52.8	48.5	46.6	47.8	45.1	41.4	40.3	42.0
1991	38.5	36.9	38.6	38.5	51.1	45.8	51.3	p/54.6	p/49.7			
Over 3-month span:												
1989	67.6	65.2	61.1	56.2	54.5	53.9	54.9	52.5	55.9	56.0	55.8	59.1
1990	58.8	59.0	54.4	50.7	48.7	49.4	45.6	43.7	40.0	37.4	35.8	35.1
1991	31.6	30.8	30.3	38.3	39.5	48.9	p/51.8	p/54.4				
Over 6-month span:												
1989	67.7	65.0	63.3	59.0	56.5	55.4	54.5	55.9	53.8	58.1	57.9	59.1
1990	56.6	55.2	55.2	51.8	47.6	44.9	42.7	38.6	37.2	34.8	30.9	28.8
1991	26.7	31.2	29.5	34.3	p/40.9	p/46.9						
Over 12-month span:												
1989	65.3	65.2	62.2	61.5	61.5	59.6	57.6	56.7	55.8	56.0	55.5	55.6
1990	56.6	56.5	51.4	48.3	46.6	43.5	40.3	35.8	34.1	30.6	32.0	30.2
1991	30.2	p/30.1	p/29.9									
	Manufacturing payrolls, 139 industries 1/											
Over 1-month span:												
1989	58.6	50.7	48.9	47.5	47.1	44.2	44.2	45.7	38.8	48.2	48.6	45.3
1990	46.0	51.1	41.4	47.8	41.7	39.6	43.2	40.5	38.8	34.5	27.3	33.8
1991	31.7	28.4	29.9	38.5	46.8	46.0	53.2	p/56.1	p/46.8			
Over 3-month span:												
1989	56.5	54.3	49.3	43.5	42.8	42.1	40.3	36.3	39.9	41.0	41.0	41.7
1990	45.0	43.2	45.0	38.1	38.1	37.4	35.6	31.3	27.0	23.0	21.6	18.5
1991	19.4	16.5	18.0	30.2	36.3	48.9	p/57.2	p/57.9				
Over 6-month span:												
1989	57.9	51.8	48.6	45.0	41.7	38.1	38.1	38.1	35.6	38.8	39.6	39.6
1990	39.9	36.7	37.1	40.3	32.4	30.6	24.1	20.5	21.2	17.3	16.2	11.9
1991	10.4	17.3	19.4	23.4	p/39.6	p/47.8						
Over 12-month span:												
1989	53.6	56.1	51.8	46.4	44.6	41.7	38.1	35.3	34.9	36.3	32.4	32.7
1990	33.5	33.5	31.3	29.5	25.2	20.9	19.8	14.0	12.9	10.1	11.2	10.4
1991	13.3	p/14.0	p/13.3									

1/ Based on seasonally adjusted data for 1-, 3-, and 6-month spans and unadjusted data for the 12-month span. Data are centered within the span.

p = preliminary.

NOTE: Figures are the percent of industries with employment increasing plus one-half of the industries with unchanged employment, where 50 percent indicates an equal balance between industries with increasing and decreasing employment.

SENATOR SARBANES. Thank you very much, Commissioner. Congressman Armey?

REPRESENTATIVE ARMEY. Thank you Dr. Norwood.

I have to tell you, I'm disappointed. I had hoped that we could get some rebound in the economy, and we just aren't getting the results we had hoped for.

I suppose we don't have to be too surprised, given the burdens imposed on this economy by that budget deal. I was up in New Jersey a couple of weeks ago and met with some people that had had jobs building boats in this country. It's very discouraging for them to see their jobs disappear because of that.

I suppose the thing that most frustrates me about that luxury tax and its impact on these people's ability to work is the fact that the government is actually losing money on the thing.

It is frustrating to see us put together a deal where we destroy people's jobs. The government loses five dollars of income tax not paid, FICA taxes not paid, and so on. I was talking to a high-ranking member of the Budget Committee the other day, over on the House floor, and I said, you know, this thing is killing us. It's destroying these jobs. We're losing five dollars for every dollar worth of revenue we get. We have to repeal it.

He says, I couldn't agree more. It's just terrible, and it's really hurting in my district. And I'm all for you. I'll help you repeal it if you can find a way to replace the revenues.

I was dumbfounded. As long as we're going to deal with this kind of logic, we will not be able to make rational policy.

How are the household and ... I assume that it's probably appropriate for me to ask you some question in the area of your responsibilities and expertise. I want to be a fair man here today. [Laughter.]

But can you tell me about the relationship and how well the household and the payroll surveys are tracking each other, and if there's any possibility that we're going to see a ray of sunshine there, perhaps?

MRS. NORWOOD. The household survey and the establishment, or the business survey used to track each other, are much better than they have been in recent years.

We believe, however, that the major reason for the difference—perhaps, as much as two-thirds—is that there has been an increase in this country in multiple-job holding—people who work at more than one job. In the business survey, those people are counted each time they're on a payroll. So, if you have two jobs, you are counted twice. In the household survey, however, they're counted only once because it's a person-based concept. So, that accounts for a good deal of the discrepancy.

The problems of measuring the population as a whole may have some effect as well. We're working on those differences, and every month we hope that they'll come closer together. But so far they have not.

REPRESENTATIVE ARMEY. Well, when it comes to, I suppose, the partially employed or the part-time employed, then I suppose your household surveys clearly are a better measure.

MRS. NORWOOD. The household survey gives us information on the people who tell us that they are working only part-time—lesser hours than they would like to work. And the data on persons working part-time for economic reasons comes out of the household survey, that's quite right.

REPRESENTATIVE ARMEY. If I could use myself as an example, I have two jobs, one is in Washington, D.C. and the other one is in Texas. And in both work sites, I often have people perceive me as working part-time. I assume that if they're polled, if you surveyed either site, you would have reported a part-time worker.

That's why I would worry a little bit about the data. Of course, that's exactly what it is that you're going to be working on; that is, how to improve these data bases.

MRS. NORWOOD. I believe, Congressman, that we in the United States recognize that a congressman has many responsibilities. But I think you're only on one payroll. And, therefore, you would be counted once in the business survey. In the household survey, we might ask you how many hours you worked. And I'm sure as a congressman that you'd tell us that it's many more than eight hours a day.

REPRESENTATIVE ARMEY. Alan Reynolds, yesterday in the *Wall Street Journal*, argued that the current average duration of unemployment is still lower than that as late as 1987. Do you have any data to verify whether or not this is accurate? Did you see the article yesterday?

MRS. NORWOOD. Yes, I did see the article. Perhaps, Mr. Plewes can respond to the question of the comparison with the past.

MR. PLEWES. Essentially, it says that the average spell of unemployment, now 14 weeks, is lower than it was as recently as 1987, and that's correct. We are coming down from a very high level, and now we're starting to go back up again. So, I think that that's a correct statement.

REPRESENTATIVE ARMEY. The standard benefit period is 26 weeks, and we have a crisis of people who have exhausted their benefit period, because this government has done nothing to be able to help the economy create the opportunity for them to go back to work. They haven't been able to do so. But obviously, then, if the average unemployment period is 14 weeks—even given this critically high number of people who have exhausted benefits—there must be then ... what I'm saying, is there part of the story here that we don't see of those who have short-term unemployment periods? For example, what proportion of the people who collect benefits collect them for less than a month?

MRS. NORWOOD. Well, we can tell you that there are 3.4 or 3.3 million people who were unemployed for less than five weeks. Now, of that group, there are many who are new entrants or re-entrants to the labor force who would not qualify for unemployment compensation. But some portion of that group would, and would be collecting compensation.

On the other hand, there are 2.4 million who are unemployed 15 weeks or more. And again some of those would be eligible and some of them would not.

REPRESENTATIVE ARMEY. Do you have what percentage—I don't know, this is always going to be a moving number, a moving target for you—but what percentage of the unemployed exhaust their benefits?

MRS. NORWOOD. We don't have a figure that relates to the total number of people who are unemployed. We do know how many people have exhausted their benefit.

MR. PLEWES. We have the exhaustion figures from both the regular and the extended benefits programs, although the extended benefits programs have been small. The most recent month for which we have data is the month of July, and 315,000 people exhausted their benefits that month. In the previous month, there was 349,000 or 350,000 rounded. In the month before, it was 278,000 and it was 315,000 the month before that. So, it's in the range of approximately 300,000 to 350,000 each month.

REPRESENTATIVE ARMEY. Okay. And one final point. One of the things that I think I like to study on this business of data analysis and so forth, and there is the old thing—we remember in our old economics course—the confusion of stocks and flows.

There's no reason to believe, and I'm sure it would be hard for you to pin down the person who is unemployed with exhausted benefits today, the 7th of October, is the same person that you counted as having exhausted benefits on the 7th of September. For example, you might go the 26 weeks, exhaust your benefits, and then get a job. While somebody else is coming into that category, others are moving out. I imagine that's very hard to track.

MRS. NORWOOD. It is something on which we do not have data. We know very little about the people who have exhausted their benefits.

I would remind the Congress that we did propose some years ago to undertake a study following the actual people who had exhausted their benefits so that we could find out more about what happened. But we were not successful in getting approval of that.

We are trying to do a little bit in the way of pilot surveys in a couple of states to see whether we can learn anything. But it does seem to me that it is important for us to know who these people are and how they're faring.

REPRESENTATIVE ARMEY. And how long they stay there.

MRS. NORWOOD. Yes. Exactly.

REPRESENTATIVE ARMEY. Because I intuitively, unless I check myself, fall into the trap of thinking that these are people that are caught in that, and the same people I'm looking at now are the same people I looked at last time.

It is a tragic thing under any circumstance. I don't want to diminish that, but I do think we have to have more accurate understanding of that.

Thank you, Mr. Chairman.

SENATOR SARBANES. I'm going to yield to Congressman Fish before I do my own questioning, because I know he has some other engagements.

REPRESENTATIVE FISH. I appreciate that very much, Mr. Chairman.

SENATOR SARBANES. If I could just make this observation, because I think it's timely at this point in light of what Congressman Armey just said.

If someone is a long-term unemployed and then finds a job and then ceases to be, he doesn't collect unemployment insurance. So, to the extent that you get a revolving thing there, you do not pay the unemployment benefits. You only pay them if in fact you are unemployed for the requisite period of time of the extended benefits.

That is one of the beauties about the system. You put it into place. If in fact your economy turns up and things get better and people find jobs, then they never have to use the extended benefits. But if in fact that doesn't happen—and as you have indicated, we have no way of measuring which people we are talking about—providing the extended benefits covers the people who need it, it does not cover the people who do not need it. And that is one of the strengths, I think, of the unemployment insurance system.

Congressman Fish?

REPRESENTATIVE FISH. Thank you very much.

Doctor, you define a discouraged worker as persons who want to work, but are no longer looking because they think the search would be in vain. So, they're really unemployed, aren't they? Why aren't they a figure that's added to the unemployment number?

MRS. NORWOOD. Discouragement is a state-of-mind. It's therefore very hard to measure in an accurate way. It's what we in the survey business call soft data. We do try and measure it. We ask people questions, but we do not include them in the unemployment rate.

The basic official definition of unemployment requires activity. It requires that somebody actually go out and search for a job and tell us that they have done that.

We do publish an unemployment rate, including discouraged workers, however.

REPRESENTATIVE FISH. So, if they were continuing to look for work in vain, they'd be counted as part of the unemployment and raise the figure.

How do you know that there are 1.1 million total discouraged workers? I've heard much higher figures than that.

I wonder, you can be a discouraged worker at one time in your life, but you wouldn't always be a discouraged worker, necessarily, unless you had the ability to track these people.

MRS. NORWOOD. Well, what we do is, in the survey, the data collector asks a series of questions. First, they ask whether the individual wants a job now. People who say that they want a job now, but are not looking for a job, are asked why they're not looking for a job. And some of them say, well, I can't go look for a job because I'm sick or because I have somebody at home that I have to take care of. Other people tell us that they're not looking because they think they cannot get a job. Those are the people we count as discouraged.

REPRESENTATIVE FISH. Is this figure—1.1 million of the total in the third quarter—fairly constant with the third quarter of a year ago, two years ago, or three years ago?

MRS. NORWOOD. It is a little higher than it was a year ago. In the third quarter of 1990, it was about 800,000. It has gone up a couple of hundred thousand since then.

REPRESENTATIVE FISH. As a statistician, do you have an ability to make a prognosis and to comment on some of the more general economic issues that have been raised here?

MRS. NORWOOD. Well, since we at BLS report on what has actually happened, we prefer to stick to facts and not to forecast. There's a huge forecasting industry in this country, and we leave most of the forecasts to them.

REPRESENTATIVE FISH. Are there facts, Doctor, that would bear out the quotation from *Business Week* that the Chairman read to the effect that they foresee a wave of layoffs during the next few months?

MRS. NORWOOD. All I can tell you is what I see in the newspapers, and that is that there are still some employers who are announcing that they expect to have some layoffs. But I don't know how many that will be when they're all added up.

REPRESENTATIVE FISH. In your judgment, is this a sign of recovery?

MRS. NORWOOD. You mean the fact that people are still saying that they are going to lay off people?

REPRESENTATIVE FISH. Yes.

MRS. NORWOOD. I think that what we're seeing is an attempt by many employers to become as efficient as they possibly can. And the result is that, at times, when they find someone who leaves or when they lay off a person, they don't replace that person.

It's happening, by the way, in the economics profession quite a bit. Some companies are not replacing economists who retired, and they are then laying off the people under the chief economist.

REPRESENTATIVE FISH. This is happening on Wall Street, too.

MRS. NORWOOD. Yes.

REPRESENTATIVE FISH. From your experience, Doctor, is this move toward efficiency and comparable steps, such as working off inventories, a phenomenon that you associate with the end of a recession, or is it a phenomenon that your experience would tell you is more indicative of the earlier stage or middle stage of a recession?

MRS. NORWOOD. Well, Congressman, I'm one of those who believes that we're undergoing rather unusual changes during the 1990s. Therefore, I think we need to be careful about looking back at what happened in other recessions or recovery periods.

We are seeing quite a restructuring in industry. We're moving toward service-producing rather than goods-producing, although we still produce a lot of goods. And the way in which those entrepreneurs in the

service-producing industry act may be somewhat different from those in the goods-producing industry.

We are clearly seeing the adoption of many changes in inventory accumulation, in part because of the cost of the interest in maintaining the investment in inventory.

I talked with some economists from major corporations the other day, and they were talking about how the way in which their dealers and customers operated now was at the last minute to call in and say, I want this particular product. They have it all in their computer. They look for it. They find it. They ship it out.

In the past, those orders would have come in months before, and the customer would have maintained quite a large supply. But that doesn't seem to be happening as much now, and I think that inventories are quite low. And if I'm right about that, as a general approach, it means that inventories are probably not going to increase as they have in the past.

REPRESENTATIVE FISH. Could I ask one more question, Mr. Chairman?

SENATOR SARBANES. Certainly.

REPRESENTATIVE FISH. It has to do with the part of your testimony that dealt with the Christmas season. I forget exactly where it was.

MRS. NORWOOD. Yes, the retail trade.

REPRESENTATIVE FISH. Retail trade generally and looking ahead to the next few months. I think you expressed it in terms of the number of people involved—the employment.

Do you have anything to advise us with respect to not so much the employment in retail trade, but what is anticipated in terms of expenditures by consumers as we get into the Christmas season?

MRS. NORWOOD. Data show that the Conference Board's index of consumer confidence is low. Consumer expenditures are rather low. Many of the economists from the retail trade industry tell me that they get people to come in when they have sales. It used to be that they would buy a lot of things. Now, they come in and buy the sales item, and wait for another sale to buy more.

So, I think what we're seeing is caution on the part of the general public. They're kind of waiting and seeing. That could change. That could change very quickly.

REPRESENTATIVE FISH. Both ways.

MRS. NORWOOD. Well, anything is possible.

REPRESENTATIVE FISH. Thank you, Mr. Chairman.

SENATOR SARBANES. Thank you very much, Congressman Fish.

Commissioner, I want to ask you a bit about this article here in *Business Week*, "I'm Worried About My Job." I do not know whether you have had a chance to see that article.

MRS. NORWOOD. No, I haven't read it.

SENATOR SARBANES. Well, let me just quote from the outset of it to lay the basis for a couple of questions that I want to put to you.

"I'm Worried About My Job." I'm now quoting from the cover story of *Business Week* of October 7, 1991.

Patrick O'Hearne is a senior human resources manager and a lieutenant colonel in the Marine Reserves. He is 43, has three children, a wife, a mortgage, and a station wagon. He came back from Operation Desert Storm in the Persian Gulf to find that his employer had restructed and moved his job to Toronto. O'Hearne chose not to go. It was his third down-sizing in four years: Shearson, Lehman Brothers, Grand Metropolitan, and Northern Telecom.

"People are getting sacrified because corporations are always changing direction, priorities or ownership," says O'Hearne. "But every time they lay someone off, a family gets massacred."

Every day thousands of managers, bankers, sales executives, lawyers, accountants, and other professionals are driven to anger and despair by the hard realities of the changing world of work.

The one solid foundation for millions of middle-class families, the corporate career, is in shambles. The organizational man of the 1950s and 1960s is being replaced by the migrant manager and free-lance professional of the 1990s.

Alone and angry. The pain of change is all around us. Corporations are rushing to cut costs and downsize before yearend. They want to take their lumps in 1991, in preparation for a stronger rebound in 1992. That means an unusually powerful wave of layoffs will sweep through the United States during the next three months.

Already the drumbeat of bad news is growing louder. On September 12th, Colgate Palmolive announced that it would trim 2,000 workers from its worldwide work force of 25,000. On September 16, Pepsico, Inc. said it would slash management and administration at its Frito-Lay, Inc. unit by 30 percent or 1,800 jobs. And on September 19, Time-Warner, Inc. announced the planned layoff of 105 editorial workers, bringing this year's cuts at its six magazines to about 10 percent of the total staff of 6000. And more layoffs are expected.

White collar workers at these companies will join the growing ranks of once-secure employees who are finding themselves on the outside— alone, afraid, and angry.

Who doesn't have a brother or a sister, a parent or a friend, who has lost a job recently?

Now, that is in *Business Week.* And the questions that I want to put to you are, first of all, who doesn't have a brother, a sister, a parent, or a friend who has lost a job recently; how many people in the last year have been unemployed? Not necessarily unemployed for the whole year, but unemployed at sometime during the year? Do we have that figure?

MR. PLEWES. We don't have a figure for 1991. The last time we took a look at this was in March 1991, concerning 1990. At that time, there were about 20 million people who had experienced unemployment during the course of the year.

SENATOR SARBANES. Okay, 20 million.

MR. PLEWES. Twenty million persons.

SENATOR SARBANES. Okay. That is not 20 million that were unemployed all at the same time. Someone could have been unemployed at one point in the year and employed at another time. Nevertheless, that is a calendar year?

MR. PLEWES. Yes, sir.

SENATOR SARBANES. At some point during the calendar year, 20 million people experienced unemployment. Is that correct?

MR. PLEWES. Right.

SENATOR SARBANES. Some maybe for the whole year, some maybe for half the year, some maybe for just a small part of the year. Is that correct?

MRS. NORWOOD. Yes. It's usually about three times the number of unemployed in a month. It varies a little bit, but that's generally the rule of thumb.

SENATOR SARBANES. Now, is there any way to project what that figure might be for 1991? I would assume that it would go up, given that the unemployment rate in 1991 has been higher than it was in 1990. Would that be correct?

MRS. NORWOOD. Yes. There are about 8½ million people who are unemployed. If that figure were to hold for the whole year, then you could multiply by roughly three times.

SENATOR SARBANES. So, it would be about 25 million.

MRS. NORWOOD. Something like that. Maybe a little bit less. But it would be well over 20 million.

SENATOR SARBANES. Okay. Now, how many people are in the work force? What is the total number of people?

MRS. NORWOOD. There are about 125.6 million in the civilian labor force.

SENATOR SARBANES. One hundred——

MRS. NORWOOD. 125.6 million.

SENATOR SARBANES. So, in other words, this year it is reasonable to expect that 20 percent of the work force will experience some unemployment during the course of the year. Is that correct?

MR. PLEWES. Well, we're mixing up a little bit of stocks and flows.

SENATOR SARBANES. All right. That is what I want to be clear on.

MR. PLEWES. We saw, for example, that in 1990 there were 132.6 million persons who worked at some time. That's about 15 million more than worked at any one time. I think we're looking at a labor force of perhaps 135 to 140 million over the course of this year.

MRS. NORWOOD. The problem is that the number I gave you is the number that are currently in the labor force. If you're going to compare that number, you need to have a number that includes people who at any time during the year were in the labor force. And we don't have that number here.

SENATOR SARBANES. Well, even if I took the 140 million figure, if 25 million of them at one time or another experienced unemployment, that is about——

MRS. NORWOOD. It's a lot of people.

SENATOR SARBANES. Yes. What percent of the families do you think have been touched by unemployment?

MR. PLEWES. At the moment, we don't have that figure for the total number last year. We're looking at it and trying to generate a figure based on our conversations last month. We haven't gotten it yet. But on a current basis, about one in ten families are touched by unemployment.

SENATOR SARBANES. Touched by unemployment.

MR. PLEWES. Yes, sir.

SENATOR SARBANES. Now, there is an index that you have on the comprehensive unemployment rate, I think. Is that in your backup material here this morning?

MRS. NORWOOD. You mean the alternative method? Yes, that's Table A-7, and we do have that.

We have the measure U-7, which includes half of the people who are employed part-time for economic reasons and the discouraged workers. When you add those in for the third quarter of the year, you get 10.1 percent. On the other hand, if you look only at people unemployed 15 weeks or more, you get a very low figure of 1.9 percent.

SENATOR SARBANES. How does the 10.1 percent compare historically? When was it last 10.1 percent?

MRS. NORWOOD. It's certainly higher than it has been in the last several years.

MR. PLEWES. You have to go back to the fourth quarter of 1986 when it was 10.2 percent to see a comparable rate. And it had gotten as high as 15.4 percent at the depth of the 1982 recession.

SENATOR SARBANES. Of course, that recession was the worst we have experienced since the Great Depression.

MR. PLEWES. Yes, sir.

SENATOR SARBANES. Yes. So, you go back five years.

MRS. NORWOOD. That's right.

SENATOR SARBANES. This is the highest over the last five years.

Now, this article says, managers, bankers, sales executives, lawyers, accountants, and other professionals are losing jobs, and it also talks over here about white collar workers.

Is this recession noticeably different from previous recessions, in terms of the sectors, of the nature of the unemployed, the kinds of people that are unemployed?

MRS. NORWOOD. Yes, it is, for two reasons, I think. One is that the recession has actually hit the service-producing sector. In the past, the service-producing sector, while not necessarily increasing the number of jobs, didn't lose many jobs. We are seeing now a difference.

Second, the people in white collar jobs, particularly managerial and professional, as well as technical, sales, and administrative support jobs, have not done as well as in previous recessions. The white collar group, as a whole, actually was down very slightly in percentage terms in the 14 months since July of 1990; whereas in the same time period after July 1981 and November 1973, the percentage was actually a plus.

On the other hand, people do call often and say, well, doesn't this mean that it's a white collar kind of recession? And the answer to that is no. There are blue collar workers who have been affected as well. But it is the first time that white collar workers have been affected to this extent. The percentage changes have not been as large downward as for blue collar workers, however.

SENATOR SARBANES. Also here, this article talks about this personal example of downsizing what this employee had experienced. Do you have any figures about what happens to displaced workers—people who lose their jobs because of layoffs, or closings, or whatever?

MRS. NORWOOD. The data that we have relate to 1989.

MR. PLEWES. And refer to a five-year period.

MRS. NORWOOD. They were collected in a supplement to the Current Population Survey, and what we did was to define a worker who was displaced as one who really had some job attachment. Therefore, we took people who had worked for a company for three or more years.

We are planning in January of the coming year, assuming that the funding is available from the Employment and Training Administration, to do another survey to assess more recent displacement.

So, the data that we have now were taken in 1990 and relate to the year 1989 and before.

SENATOR SARBANES. What does that data show?

MR. PLEWES. Well, we found that over the course of the 1980s there were fewer and fewer persons who were displaced.

Approximately 4.3 million workers who had been with their employer for at least three years had lost their jobs because of plant closings and so forth, in the period between January 1985 and January 1990. That's somewhat smaller; about 300,000 smaller than between January 1983 and January 1988.

SENATOR SARBANES. And what happens to those 4.3 million people?

MR. PLEWES. Well, they don't do very well. We have a difficult time in showing how long they're out, but at the time we took the survey, about three-fourths of them had found another job. When they had found another job, about 57 percent were earning as much or more than they did prior to displacement; 43 percent were not. They didn't earn as much as they earned in their last job. And of those who suffered earnings declines, more than half of them lost 20 percent or more.

We found also that those persons who were laid off in manufacturing had a tougher time getting back into it than in services. We understand this because services were growing during that time. And we also found

that persons who were older had a very much harder time in getting back into the labor market and were out of work for a longer time than persons who were younger and willing to move and so forth.

SENATOR SARBANES. Congressman Armey?

REPRESENTATIVE ARMEY. Thank you, Mr. Chairman.

I have not seen the *Business Week* article, but some of the quotes that you read from it were intriguing. I was struck by the reference to the changing economy and so forth.

I remember, Commissioner Norwood—you may also remember—the great automation scare of the early 1960s. Do you all remember when automation was going to destroy jobs?

I also remember that the best case in point that belied the fear was the AT&T case, which was when AT&T switched to automated switching devices, and direct dial long distance, and so forth. Of course, the Communications Workers of America was frantic over this change and what it was going to do to employment in the industry. But the remarkable thing was that here was a case where the result was more people working at better jobs and higher wages, and increased telecommunications service to American consumers at lower rates. So, in fact, the AT&T switchover—the high-tech automation—benefited everybody—consumers and workers.

But in that process, you had this phenomenon which we see in these kinds of structural changes that take place periodically. Schumpeter probably wrote a lot about that, in a more technologically mundane sense, with his innovations theory of the business cycle, even though those workers at AT&T, after the implementation of the automation with the more high-techy kind of job and better rates, certainly they were benefactors.

But technology sometimes does leave people behind. My old adage that we used to have out on the farm was, you know, if you don't keep up, there's no holding back progress; if you don't keep up, you get left behind.

Here, we had cases where, for example, all of a sudden, there were new opportunities for keypunch operators and so forth, emerging where telephone operators ... and I think your point, Mr. Plewes, older workers suffer so badly under these kinds of transition periods.

But it would strike me that if in fact there is a transition period of this nature, we would have two attendant data bases that would complement one another to explain that. On the one hand, you would have a high unemployment rate among those who don't make the transition.

And let me assure you, I am critically aware as one who changed careers at the age of 45, how much I don't want to do it again at the age of 55. And so, I, too, fear for my job, Mr. Chairman. Because this is, of course, the most heartbreaking of cases; the person that, gee, if it would just last another ten years, I'd have my retirement and I could be out. That really just does tear you apart.

But is there, in attendance with our unemployment data, any data, or do we collect data with respect to jobs that are going wanting?

The chronic curmudgeon response to unemployment—and you've heard it yourself all your years—the most easy thing in the world to do—and we're all tempted to do it—is to pick up the want ads and show them to someone and say—and I've done this with my sons who were discouraged workers—Dad, I can't find a job. I think they even wrote a pop song about that in the 1960s—"Get a Job."

We went through that— Dad, I can't find a job. And finally, when Dad says, well, dammit, find a job or starve, they find a job.

I tend to look at want ads—having four young single sons—and that's not, I'm sure, a good data source. But do we have a data source on job vacancies? And are we experiencing some kind of a transitional structural change in the economy mismatch at this time?

MRS. NORWOOD. We know that it is extremely difficult to collect such data, partly because a vacancy is very difficult to define.

You ask an employer whether there's a vacancy, and the answer can depend. It depends on whether he's going to fill it, first of all. Second, it may depend upon whether he's going to fill it from inside or from outside, and so on. So, there are serious technical problems in developing job vacancy data.

We have undertaken at the request of the Congress, through the Employment Training Administration, a pilot survey to see whether it's possible to collect job vacancy data. In order for the survey to be very useful, it clearly needs to have an occupational component. And that makes it rather complex, requiring a large data base, and fairly expensive.

Mr. Plewes and I both have served for many years on an OECD working party on employment and unemployment statistics, and we've discussed the problems of collecting job vacancy data with colleagues from other countries. They, too, have had some difficulties. Some have been successful, others have not.

The Canadians had a survey and did away with it. The Australians, on the other hand, have a fairly useful approach.

So, we do have some work that we've done in the pilot survey, but we do not have a thriving, ongoing system.

REPRESENTATIVE ARMEY. One of the problems that we always have in relying on anecdotal evidence—and one of the reasons I'm so fascinated with the need for this country's government to have better data, and a concern that you have that I share—is that even under the best of times, if you have a dynamic economy and progress does occur and change does take place, anecdotally you're going to find people who either get left behind or find it difficult to keep up, as it were, with the changing times.

I don't mean to say that these aren't tragic cases that should receive some attention. They certainly should. But that kind of anecdotal testimony really becomes a pretty unreliable source of information from which one could formulate any kind of policy response, it would seem to me, because I can take the best possible circumstance under the sun and find somebody who's being left behind. And probably, quite frankly, under a good Schumpeter-type dynamic situation, where science and engineering

change is driving the lurch forward, you might find that kind of unemployment.

I used to recall in my academic days that there was some level of unemployment below which we did not believe we could go simply because of these kinds of dynamics. What is that considered to be today?

MRS. NORWOOD. Well, it's a matter of opinion, I think. It's usually talked about as a noninflationary unemployment rate. That is, the lowest level at which you could get without starting a spiral of accelerating inflation.

REPRESENTATIVE ARMEY. But then, of course, that was the Phillips Curve notion.

MRS. NORWOOD. I think it is important, however, to recognize that you're quite right, that there are a group of people who are finding that they don't have the training that they need to move into some jobs that require higher training. And clearly, we're seeing structural changes from manufacturing into services. But I think we shouldn't forget that there are other groups who are included in the structurally unemployed who are not quite in that sort of situation. They are people—particularly the minorities—who have not been able to get the jobs that are decent jobs from which to move to other jobs.

It's quite clear that we're living in an economy which is changing rapidly, and workers participating in that economy will have to be much more flexible than they have been in the past.

But we still have a lot of workers who just haven't had the opportunity to exercise that flexibility. There are, of course, training programs, Job Corps—things of that sort—for some of these people. Many companies are now setting out training programs.

One of the things that we have had some discussions with the Employment Training Administration about is the need to know more about what employers are finding they need to spend on training and for what purposes. There's a lot of discussion in this country now about the quality of workers; whether they're coming out of the schools with adequate preparation; whether they need technical training; whether they need more basic training, and so on.

We don't know very much about those things, and we hope soon to do a short, small survey to expand on those ideas, because I think it is one of the critical issues that faces us as we move forward.

REPRESENTATIVE ARMEY. Thank you. I might just observe, I did my master's thesis on the Manpower Development and Training Act, and was a close observer of CETA. It strikes me that our historical efforts combining government and academics to determine what is needed in the world of business and in the world of work has not been very successful. So, perhaps, this new approach might be beneficial to people that do in fact need some special assistance.

Thank you.

SENATOR SARBANES. Congressman Armey, it's brutal beyond belief that you would perpetrate this canard, illustrated by the story of find a job or

starve, and they found a job. I think as you told it, it applied to your sons, and I'm in no position to judge that personal situation. But to suggest that story—I take it—as a general proposition, I think is just cruel to lots of people.

We held a hearing in this Committee on May 3, and we had Walter Corson here as a witness, who has done research on long-term unemployment and unemployment insurance policy for Mathematica Policy Research, about the question of extending unemployment insurance benefits. He addressed specifically this assertion that you get from people, if you provide these benefits, they won't look for a job, they won't work, and they are just kind of lazy people; and as soon as you really put the finger on them and say, well, okay, you find a job or you are going to starve, then they go out and they find a job, as though the job is there waiting and they are not looking for it. And I'm going to quote just what he said in his testimony.

> Second, the analysis suggested that the work disincentive effect did not appear to be a dominating factor at explaining the exhaustion of unemployment insurance benefits. While some exhaustees indicated that they had not searched for work when they first began receiving unemployment insurance—11 percent said that they had not looked for work and gave reasons for not looking that would classify them as out of the labor force —the vast majority did look for work and the intensity of their search effort matched that of nonexhaustees.
>
> In addition, 75 percent of the workers who exhausted their unemployment insurance benefits were jobless four weeks after receiving their final unemployment insurance payment, and 60 percent were still jobless ten weeks after receiving their final unemployment insurance payment.
>
> Since the study examined unemployment insurance recipients during a nonrecessionary period, 1988, these numbers are likely to be higher in the current recessionary period.
>
> Finally, over half of the workers who found jobs after exhausting their unemployment insurance benefits received lower weekly wages than on their pre-unemployment insurance job. None of these results is consistent with strong disincentive effects.
>
> Under these circumstances, extending the potential duration of unemployment insurance benefits may reduce the financial hardship of exhaustion considerably, while creating only mild disincentive effects for some workers.

Now, we had testimony from workers who told a tale of just knocking on doors, standing in line, submitting resumes, literally knocking themselves out trying to find a job and being unable to find it.

Now, it's true that at any time you can look in the newspaper and find want ads. In fact, in the depths of the Depression, in the 1930s, there were job want ads in the newspaper. You're always going to be able to find job want ads in the newspaper. But I don't think it sustains this view that a lot of people seem to hold, and to which I gather you were giving some credence, that if you say to these people, find a job or starve, then they'll go find a job. I don't think the research supports that view. I don't think common sense supports it.

I'm one who's not prepared to just totally discount what you refer to as anecdotal stories. These, after all, are the reports of live humans about their life experience.

REPRESENTATIVE ARMEY. Mr. Chairman, if I might respond.

SENATOR SARBANES. Well, certainly, I would assume that you would.

REPRESENTATIVE ARMEY. Let me begin, Mr. Chairman, by pointing out that I have no sense of concern or worry with respect to my lack of understanding, compassion, or sensitivity. I have no less reservation about the extent to which I share with any person that I do have confidence that many people, when finding themselves in disagreement with me, will suggest I lack such things.

But the fact of the matter is that human behavior and human nature are quite diversified. I was, in fact, bemoaning what I characterized as the easy, curmudgeonly response, while acknowledging that, at least in one case, it did work with my son.

So, you can't discount the possibility that in some cases—and getting away from anecdotal evidence, because I don't suppose I always want to use anecdotes related to my own children to statistical evidence—we do in fact find a correlation does exist between the increased number of weeks of benefits that are available and the increased number of weeks that people remain unemployed, which is not an irrational human response.

Mr. Chairman, I would say one other thing that I share in common with most of my fellow Americans—I would think indeed with most people anywhere on the globe—is that I don't like work. I would prefer to be able to sustain myself and my family without the effort. And, in fact, when the effort, the cost to me of working, the price of leisure is reduced by the fact that there are benefits available to me, I make a rational choice of trying to respond to that. That's not unusual; it's not irrational, and it's certainly not even an irresponsible thing for a person to do. We are all, in the final analysis, the children of Jeremy Benthan.

Thank you, Mr. Chairman.

SENATOR SARBANES. Well, where is this correlation you find? If the correlation is that in periods in which you are paying extended benefits, people stay unemployed longer. You can't demonstrate that it is because of the extended benefits. It is because the job market is so bad that they cannot find a job. That is what happened in 1981 and 1982.

What did the unemployment rate go to in the 1981-82 recession, Commissioner? What was the top rate?

MRS. NORWOOD. It was over 10 percent.

MR. PLEWES. It got to 10.8 percent in November, December 1982.

SENATOR SARBANES. All right. It went to 10.8 percent.

Now, people were getting extended benefits, so they were getting a longer period of time in which they were being paid benefits. But we did that in response to this deep recession in which we found ourselves—the

worst since the Depression. And there was not a job market out there in which they could find employment. That is what happened.

I mean, to sit here and try to give some credibility to this canard. We had one of the leading people in the country studying this kind of issue, and we brought him in here to try to address it. His statement is a very carefully researched paper. They did a study. They don't find that kind of disincentive effect that you have just, in a sense, reasserted.

I just am not going to sit here and allow this find-a-job-or-starve approach to the problem that the unemployed are confronting across this country stand. I am just not going to do it.

REPRESENTATIVE ARMEY. Mr. Chairman?

SENATOR SARBANES. It is not fair to millions of people who have lost their job; they have been laid off; they have been productive workers; they have had sustained employment; they are trying to find a job and can't find a job. And you make it sound as though, somehow, they are just shirking. The unemployment insurance law requires them to engage in a job search, and they will tell you what is involved in that. But most of them, even without that requirement, are out there looking for work. They do not want to be unemployed, and they'll tell you they do not want to be unemployed. These are people who have been employed and have held steady jobs, continuous jobs.

REPRESENTATIVE ARMEY. Mr. Chairman, if I may respond.

SENATOR SARBANES. Certainly.

REPRESENTATIVE ARMEY. Clearly, we agree the correlation exists. We also know that a correlation does not prove a causal relationship, nor, in fact, does it refute one, so it does say that it's worthwhile from at least a scientific point of view to examine all causal relationships that could be the explanation behind that. And when you get done examining these kinds of data—if you're open to what possible causal relationships are there—you can boil it down to the question, is it possible that the government policy may be in fact part of the problem rather than part of the solution. That's something I think we in government ought to always remain open to.

Furthermore, I should say that I have no doubt about that. People who are unemployed do not want to remain unempoyed. Unemployment benefits are not equivalent to salaries. I understand that. That's why I think it's rather insensitive and cruel for our Congress to be more concerned with how to get people more dependent on unemployment benefits for a longer period of time rather than what can we do to get them back to work. And that is a subject that, at least in my part of this Congress, has not even been allowed to be openly debated by virtue of the rules in our body.

I would frankly think that if I were unemployed today, I would want my congressman talking about what can we do to make it possible for me to more quickly and more likely find a job rather than reminaing unemployed for a longer period of time.

And that, I think, is what we ought to be debating. Unless we have the courage to look at statistical correlations that define the possibility that a

politically incorrect causal relationship might be out there, we will never dare to recognize the extent to which we in the government are more the problem than the solution. And until we dare to look at that, we will continue to have the same policies, whether they fail or not.

SENATOR SARBANES. Commissioner, what percent of salary is replaced by unemployment benefits?

MRS. NORWOOD. I don't know. We'll provide it for the record. I would not want to hazard a guess. Sorry.

SENATOR SARBANES. I think it is less than half, isn't it?

MRS. NORWOOD. I think so.

SENATOR SARBANES. Pardon?

MR. PLEWES. It varies by state, sir. I just don't know the average.

SENATOR SARBANES. It varies by states.

MRS. NORWOOD. Yes.

SENATOR SARBANES. But as a general proposition, when you draw unemployment benefits, you are not getting half of what you were previously earning, do you?

MRS. NORWOOD. No, not if you're drawing under the unemployment insurance law.

SENATOR SARBANES. If you do not have some kind of collective bargaining agreement like they have in some of the large industries.

MRS. NORWOOD. That's right.

SENATOR SARBANES. Now, what percent of the people unemployed are drawing benefits?

MRS. NORWOOD. The latest figure I have from the CPS is August, and it showed about 8 million people as the total unemployed. That is, all the unemployed during the survey week. The proportion of those who were on UI was about 66 percent. Is that correct?

MR. PLEWES. That's the job losers component of the total unemployed.

MRS. NORWOOD. I'm sorry. Of the total unemployed, it was 34 percent. If you look at it in terms of the job losers, that is, if you take out all the new entrants, the re-entrants, and the job leavers, then you had 66 percent. But 34 percent is the figure I think you wanted.

SENATOR SARBANES. So only 34 percent of the unemployed are drawing unemployment insurance benefits.

MRS. NORWOOD. That's right.

SENATOR SARBANES. It was higher, I take it, in previous recessions. Is that correct?

MRS. NORWOOD. Yes. For example, way back in the 1970s, it was very much higher. It was 67 percent. And then in 1981, it was about 45 percent.

SENATOR SARBANES. Do you have any evidence that shows that the people that do not get unemployment benefits find jobs sooner than the people who do get unemployment benefits?

MRS. NORWOOD. No.

SENATOR SARBANES. Are we the only country that pays unemployment benefits?

MRS. NORWOOD. Oh, no. The countries of Western Europe have much better developed, more comprehensive social insurance programs than we do. So, we are certainly not the only one.

SENATOR SARBANES. In other words, more developed in the sense that they pay for a longer time and pay a higher percentage of income.

MRS. NORWOOD. Yes.

SENATOR SARBANES. In fact, amongst the industrialized nations, we are pretty far down the list in terms of addressing these benefits, aren't we?

MRS. NORWOOD. Yes, we are. Of course, as Tom Plewes says, it varies somewhat by state in the United States. But it is true that many other countries, at least, have much higher benefits for longer periods of time.

SENATOR SARBANES. I want to address this final point. I say to my colleague, Congressman Armey, in a very anecdotal, but human way, this point about, if you say, find a job or starve, they go out and find a job. I'm going to quote from a letter that I received:

> I had worked very hard for Shearson, Lehman Brothers for almost 12 years. Almost 12 years. I emphasize that. And due to economic conditions on *Wall Street*, my department was closed and I have been out of work for 18 months. I learned so much during that 12 years and climbed the ladder, but now it doesn't matter because people won't hire you because you are overqualified. Also, the overqualified could be another way of them saying I am too old.
>
> I am an excellent worker. I am dependable and know I can work circles around a lot of the young people out there. But because they can get them real cheap and because business people don't look at experience as helpful, but at the cheapest they can pay, we have no chance.
>
> Everyone that is looking for a job today realizes they will not make the same money they were making when they lost their jobs.
>
> What we as unemployed people want is to be able to rebuild our self-esteem, pay our bills and contribute to this country. We are not looking for a hand-out. But right now we need more help.
>
> It is sad to know the funds are there but the President will not release them. People have this idea of being unemployed is fun. It isn't. It is extremely depressing. Everyone thought I was lucky having the summer off. I did not enjoy one day of this summer, as I was worrying about getting a job. It is on your mind constantly from when you wake up in the morning to when you go to bed at night. And then if you should wake up during the night, it is right there hounding you. You're on edge constantly. You fight with people for no reason at all and no one wants to be with you.
>
> Does that sound like fun?
>
> I want a job. I want a paycheck and I want to be happy again.
>
> After this month, I will be completely broke if I do not find some work. If you want statistics, I will give you mine. I am a white, middle-aged female, single parent of two, head of household. I raised my sons basically on my own since they were three and five. I worked full time from when they were seven and nine. I had them in all the sports programs I could.

I worked ten minutes from the house so I could be available should something happen to them and they needed me.

My sons are turning out to be good men. They are both in college and have always been clean, decent individuals. They really never gave me any major problems, just the normal ones every parent has with their children.

I don't want any praise, or desire any, for what I have done. They were my responsibility and I lived up to it. What I want now is help from the government until things get better for me and all the thousands of people that are in the same situation.

REPRESENTATIVE ARMEY. Mr. Chairman, if I might respond.

Let me say, again, I spent 20 years in universities. I have had every expert in the world try to shame me with the tactic of, God, you must be an insensitive, heartless guy, and therefore, you'd better, in order to prove you're not, subscribe to my theory about what must be done. It's the oldest gambit in the whole world of dialogue with respect to these issues, and I don't frankly bite on it any more. I'm as compassionate as any person alive. This story breaks my heart. It would break anybody's heart. If it didn't break your heart, you would be an awful person.

Now, what would we do as a responsible way in government of responding to the needs of such a person? One thing we might do is to seriously consider ending the worst age discrimination that goes on in this country, which is perpetrated by the Federal Government with earnings limitations on the senior citizens.

When we try to end that age discrimination, we are told, oh, we can't do that because it would cost the Treasury money. In fact, it wouldn't. But I have fought to end that age discrimination since I've been in Congress. When Senator Claude Pepper came to the floor with his bill about age discrimination, he called me personally and said, Dick, will you come to the floor and speak on behalf of my bill, because he had heard what my remarks were in Committee.

I know about age discrimination. I hate it. And I get mad about it, too. But mostly, I can get mad about a government that is the worst perpetrator of it.

Now, what should we do?

The first thing we ought to do for this woman, and for her young adult children, is whatever we can to make it more possible for this economy to be more dynamic, and create and generate more job opportunities.

And then, second, we should enact real pro-growth policies on the part of this government that would encourage the economy to get off the dime and give her and her children the opportunity to work rather than being content to do nothing other than extend the unemployment benefits so that she could remain dependent longer.

And if my choice were to vote either for a bill before me, which the President said he would sign into law and get the benefits there, or one that the President said he would veto, and if I had a compelling need to do something fast now, I would have voted for the Dole bill that got the benefits to the person that the President said he would sign.

Now, I can only ask you, in this whole business of compassion, which did you vote for?

Thank you, Mr. Chairman.

SENATOR SARBANES. Well, I voted against the Dole bill, which is a lot of hocus-pocus, and I voted to send down a bill that would address the situation in which this woman finds herself. And I take your response to this lady as I listen to it to simply be cold turkey. And I regret that very much.

REPRESENTATIVE ARMEY. Mr. Chairman, you're really very stubborn on this point. Must I shed tears here? Must I wrap myself in sackcloth?

SENATOR SARBANES. I am, indeed. No, no, I don't expect you to wear a sackcloth. I just don't want this find-a-job-or-starve routine.

REPRESENTATIVE ARMEY. Oh, give me a break.

SENATOR SARBANES. For people that are out there desperately trying to find a job.

Commissioner, I want to thank you and your colleagues very much for coming today.

The meeting is adjourned.

[Whereupon, at 11:40 a.m., the Committee adjourned, subject to the call of the Chair.]

O

53-992 (140)