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THE EMPLOYMENT SITUATION: JULY 1997

HEARING

before the

**JOINT ECONOMIC COMMITTEE
CONGRESS OF THE UNITED STATES**

ONE HUNDRED FIFTH CONGRESS

FIRST SESSION

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THE EMPLOYMENT SITUATION: JULY 1997

Friday, August 1, 1997

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
WASHINGTON, D.C.

The Committee met, pursuant to notice, at 9:30 a.m., in Room 1334, Longworth House Office Building, the Honorable Jim Saxton, Chairman, of the Committee, presiding.

Present: Representatives Saxton and Hinchey, and Senator Bingaman.

Staff Present: Robert Keleher, Howard Rosen, Roni Singleton, Juanita Morgan, Amy Pardo, John Blair, and Kerry Suttan.

OPENING STATEMENT OF REPRESENTATIVE JIM SAXTON, CHAIRMAN

Representative Saxton. Good morning. It is once again a pleasure to welcome Commissioner Abraham and her associates, Mr. Dalton and Mr. Ronese, to this employment hearing.

The employment data released today shows the current economic expansion continues to generate job gains. According to the payroll survey, 316,000 jobs were created in July. Private sector jobs totaled about 260,000. The household survey, on the other hand, shows that employment rose by 344,000 last month.

The civilian unemployment rate stood at 4.8 percentage points in July, compared to 5.0 percent the previous month. This is an interesting number that I would like to talk about a little bit more later. The employment-population ratio, an important gauge of the economy's job creation, is at a historical high or almost a historical high of 63.8 percent. That is the total percent of the population that is gainfully employed.

Inflation measures suggest inflation remains well contained, with little sign of an imminent resurgence.

This mix of events has puzzled many economists and even some of the U.S. policy makers. With the unemployment rate relatively low and the economy expanding at a healthy pace, many had expected much higher increases in wages and prices than have actually occurred. But so far during this expansion, low unemployment and healthy economic growth have not proven accurate precursors of high inflation. Moreover,

low inflation has not been associated with higher unemployment as some have predicted. Instead, lower inflation has been associated with lower unemployment.

In this context, I believe the Federal Reserve has recently adopted an appropriate stance. Rather than overreacting to the healthy real economic and employment growth and low unemployment, monetary policy is consistent with the view that other variables are more realistic indicators of future inflation. In particular, forward-looking inflation indicators that I have emphasized, such as commodity prices, the value of the dollar and bond yields, suggest that no serious upturn in inflation is imminent. These variables suggest there is little reason to change monetary policy at the present time.

In any case, the good news is that the economy continues to expand at a healthy pace with both low unemployment and low inflation. The sustained business cycle expansion has also collapsed the budget deficit, with some projections showing a deficit under \$30 billion in 1997.

We look forward to the Commissioner's testimony. At this point, let me turn to my friend and colleague, Senator Bingaman.

[The prepared statement of Representative Jim Saxton appears in the Submissions for the Record.]

OPENING STATEMENT OF SENATOR JEFF BINGAMAN

Senator Bingaman. Thank you, Mr. Chairman. I do not have an opening statement. I welcome the Commissioner and look forward to hearing what she has to tell us, and I will have a few questions. Thank you.

Representative Saxton. Thank you very much. Commissioner Abraham, welcome, and we are anxious to hear your testimony.

STATEMENT OF KATHARINE G. ABRAHAM, COMMISSIONER, BUREAU OF LABOR STATISTICS, ACCOMPANIED BY KENNETH V. DALTON, ASSOCIATE COMMISSIONER FOR PRICES AND LIVING CONDITIONS; AND PHILIP RONES, ASSISTANT COMMISSIONER FOR CURRENT EMPLOYMENT ANALYSIS

Ms. Abraham. Thank you, Mr. Chairman, Members of the Committee. I appreciate, as always, the opportunity to be here to comment on the employment and unemployment data that we have to release.

Nonfarm payroll employment grew by 316,000 in July, driven by strong growth in the service-producing sector. The unemployment rate, which had risen to 5 percent in June, returned to its May level of 4.8 percent.

Employment in the services industry grouping, which accounts for about a third of the broader service-producing sector, grew by 113,000, about in line with its average monthly growth in the first half of 1997. Health services employment increased by 31,000, rebounding from an uncharacteristically weak June. Employment growth in engineering and management services also was quite strong. Computer service, which has grown rapidly for the past three years, continued its upward trend.

Retail trade added 65,000 jobs in June. For the second straight month, employment in eating and drinking places accounted for about half of the increase. Job growth in food stores, which had been slow but steady during the first half of this year, was unusually strong. Employment growth in wholesale trade, which had slowed over the second quarter, accelerated to 29,000 in June.

Air transportation posted a job gain of 7,000 in July. After a strong first quarter, this industry had slumped in the second quarter. Employment in both trucking and communications also rose over the month. Public utilities' employment was about unchanged in July; since November of 1991, this industry has shed nearly 100,000 jobs. Finance, insurance and real estate grew by 26,000 jobs over the month, more than twice the average monthly growth over the prior year.

State and local education accounted for virtually the entire 56,000 rise in government employment, on a seasonally adjusted basis. It should be noted that, due to ongoing changes in the pattern of seasonal employment swings in local education, calculating seasonally adjusted employment estimates for this industry during the summer months has become somewhat problematic, and I would be happy to elaborate on that if you would like.

In the goods-producing sector, factory employment was flat in July, following seven months of moderate growth. In durable goods manufacturing, industrial machinery, electronic components and transportation equipment all continued to grow. Gains in durables were offset by widespread declines in nondurable goods manufacturing. Employment in food processing fell by 8,000, and textiles and apparel both continued long-term declines. Printing and publishing was down slightly after four months of growth.

Construction employment was virtually unchanged for the second straight month. Gains among general contractors were partially offset by a continued decline in heavy construction.

Average hourly earnings of production and nonsupervisory workers were unchanged over the month. The average monthly increase in hourly earnings thus far in 1997, 2.9 cents a month, is lower than over the 12 months of 1996, when it averaged 3.8 cents.

Turning to data from the household survey, the unemployment rate edged down to 4.8 percent, reversing a rise in the prior month. Among the major demographic groups, the unemployment rate for blacks fell to 9.4 percent. Total civilian employment was up by 344,000 over the month. Since the end of 1996, it has risen by about 1.6 million.

In summary, then, the labor market showed continuing strength in July. Payroll employment grew, with virtually all the gains coming in the service-producing sector. The unemployment rate returned to its May level of 4.8 percent.

My colleagues and I, of course, would be happy to address any questions you might have.

[The prepared statement of Commissioner Abraham and accompanying press release appear in the Submissions for the Record.]

Representative Saxton. Commissioner, thank you very much for sharing this positive news with us. Let me just ask several questions.

Commissioner, month after month the pattern of job gains continues to show advances in the service-producing sector, with little gain in the goods-producing area. Can you share with us your thoughts as to why this persistent discrepancy continues to occur month after month?

Ms. Abraham. I don't know that I have any particular thoughts about that, beyond the general observation that it is a fairly general pattern. As you look at economies as they develop, going back over long periods of time, economies used to have a lot more people in agriculture, they used to have a lot more people in goods production, and it is a fairly consistent pattern of economic development that those sectors have tended to shrink and the service-producing sector has tended to grow. This is something that has been going on for a very, very long time.

Do you have anything you would add to that, Phil?

Mr. Roncs. The only thing I would add is that the service-producing sector is huge relative to the goods-producing sector, to start with. There are almost 98 million people employed in the service-producing sector, and in goods-producing it is a quarter of that.

So in any month, even if goods-producing got its fair share, which it tends not to, as you pointed out, it would be relatively small. Within goods-producing, construction employment, generally speaking, has gone along with the general pattern of job growth that you see in service-producing. It is in mining, where employment is now quite small and still generally declining a little bit and, particularly in manufacturing, where employment has been relatively stable over the last year or so. In fact, over the last nine months, we have had some job growth in manufacturing, which we had not had for a year or two preceding that.

Representative Saxton. Speak to the issue, if you would, of the influence of international trade and offshore production of goods. Does that play into this?

Ms. Abraham. There are a variety of things that may play a role. Differential productivity growth rates may play a role in what we are seeing. The increased openness of the economy in international trade may play a role in what we are seeing. We have not done any analyses that I think would let us easily decompose what the various influences on the pattern we are seeing with respect to services employment growth, manufacturing employment growth, have been. I am not aware of anything we have done that would let us break that out.

Mr. Rones. The only thing that I would add is, we do look at what we call our export-sensitive industries. The way we define that is industries that have at least 20 percent of their output in exports. We have an over-the-year growth in all export-sensitive industries, including both manufacturing and nonmanufacturing, of 2.1 percent, and that compares to only 0.4 percent for manufacturing as a whole, so the export-related industries seem to be doing quite well relative to the rest.

Representative Saxton. Well, now just to pursue this one further step, we do have, as we all know, a trade deficit, which means that we are importing more goods than we are exporting. It seems to me that as we consume goods, and as we continue to import more than we export, that that would have some impact on the creation of jobs that are in the goods production area. Would you agree with that?

Ms. Abraham. To be honest, this is not something I have ever taken a close look at, and wouldn't really feel prepared to comment on it.

Representative Saxton. Mr. Rones?

Mr. Rones. I think I would second that.

Representative Saxton. Okay. Well, let us turn for just a minute to hourly earnings. In your statement, Dr. Abraham, you spoke to the issue of hourly earnings on, I think, page three.

Ms. Abraham. Correct.

Representative Saxton. You indicated that hourly earnings increased this year so far by 2.9 percent, and that is a smaller increase than over the 12 months of 1996, which was 3.8 percent. I guess you can see a correlation here between the rate of inflation and an increase in hourly earnings. Is that fair, or is that not correct?

Ms. Abraham. I don't think there is any real direct one-to-one correspondence there. Just to be clear about the figures that I was citing in my statement, I was talking about average cents per hour increases thus far this year, which have been running behind where they were in 1996.

Representative Saxton. I am sorry.

Ms. Abraham. Not percent increases, just so there is not confusion. We usually talk about this in terms of percent changes, but that is not what was being cited there.

Representative Saxton. That would track along with percentages?

Ms. Abraham. Given average hourly earnings were higher this year than at the start of 1996, the percent changes would have decelerated even a little bit more.

Representative Saxton. Can you transpose those into percentages for us?

Ms. Abraham. We can get that calculation done. We were trying to look at average monthly increases, and so doing the percent calculation is a little bit more complicated, but we can provide that.

Representative Saxton. We would appreciate that. That would be fine.

Now my third question has to do with something that is probably an obscure measure we don't usually talk about. The employment-population ratio, it is an interesting number, and you and I were talking about it before the hearing. The employment-population ratio, said by some to be an important gauge of the economy's job creation, remains near historical highs. In fact, since 1949, I think you can make the case that it is an historical high.

Ms. Abraham. The only month that would have been higher was May, two months ago, when it was 63.9 percent.

Representative Saxton. The employment-population ratio today is 63.8 percent.

Ms. Abraham. Correct.

Representative Saxton. This is the ratio of total employment to total population, including all age groups and all categories of people.

Ms. Abraham. For the population, aged 16 and older.

Representative Saxton. Okay.

Ms. Abraham. Quote, working age population.

Representative Saxton. Okay, and this has shown steady growth since the decade of the fifties.

Ms. Abraham. Or even going back to the late 40s, that has been going up. I have a chart here that we could perhaps have inserted in the record, if you would like, that takes that back to the late 1940s. I was actually looking at this. It fluctuated around, and I don't know where you would want to date this. Beginning in the early 1960s, that started to trend up, and has trended up fairly steadily, except for downturns during recessionary periods, since that time.

Representative Saxton. So it does track along with good economic performance and tends to—

Ms. Abraham. It has a secular trend to it, which has been upward, and a clearer cyclical dimension to it.

Representative Saxton. The chart that I have here shows that, beginning in about 1990, for several years it trended down.

Ms. Abraham. Right.

Representative Saxton. So it is an indicator of economic healthiness or the lack thereof. Now is it true that employment numbers are the same for both male and female workers with regard to this measure?

Ms. Abraham. No, there are clear differences between the employment-population ratio for men and for women. Historically, the share of men aged 16 and over who are employed has been considerably higher than the share for women. Those differences were very pronounced. If you went back as far as, you know, the late 1940s, when 85 percent of men aged 16 and over would have been working but only about 30 percent of women, as you know, that has changed over time. The share of men aged 16 and over who are employed has come down considerably, secularly, principally as a consequence of early retirement, earlier ages of retirement for men.

Representative Saxton. Well, then, that must mean that the share of women in the work force must be higher, if the total is higher. Is that correct?

Ms. Abraham. It is much higher. It has gone up steadily and quite significantly over that period. The share of women who are employed is, at this point, approaching 60 percent.

The exact figure last month, do you have that, Phil, for women?

We may not have that. Actually, these breakdowns I am looking at are for adult men and adult women, so men and women 20 and over. The rate for women in the last month was 57.9 percent. It is interesting. As you know, their behavior really has changed. Even among women who have children under the age of one, half of them are currently employed.

Representative Saxton. Now you mentioned that the percentage of women in the work force was 30 percent. When was that? What year was that?

Ms. Abraham. I am looking back at 1948.

Representative Saxton. So since 1948, if the percentage of women in the work force today is over 60 percent—

Ms. Abraham. It was a little less than 60 percent, but it has come close to doubling.

Representative Saxton. So since the early 1950s or thereabouts, the percentage of women working has doubled, and the percentage of males working has dropped off some because of early retirement.

Ms. Abraham. Early retirement and some other factors. Increased school enrollments may have played a role there as well.

Mr. Rones. I think you have increased school enrollment, both in high school, that is, you are less likely to have people dropping out, and of course more and more people have gone on to college. We are at record levels for that. Also, the expansion of the social security disability program has really allowed people in marginal health to have an option to work. So you see, associated with the advent of social security disability and the expansion of coverage and benefits, that you do have some drop-off in males in both labor force participation and the employment-population ratio that you are looking at.

The one other factor I mentioned is the fact that as female participation in the labor force increases, in some family situations it allows some flexibility for the man to work. So it is possible that the direction of those two, the women's rate going up and men's going down, are to some extent causally related.

Representative Saxton. Thank you very much.

Senator Bingaman?

Senator Bingaman. Thank you, Mr. Chairman.

Let me ask, first, about an index that Dr. James Metoff, who is a labor economist at Harvard—

Ms. Abraham. Yes, and with whom I have coauthored articles at earlier points in my career.

Senator Bingaman. I understand that, which makes you ideally situated to comment on this.

Ms. Abraham. I wouldn't be sure about that.

Senator Bingaman. He developed a Job Quality Index (JQI), which tracks changes in wages as well as health and pension benefits. This JQI goes beyond the Employment Cost Index released earlier this week by considering these variables across occupations and industries.

Mr. Chairman, I ask your permission to enter the most recent information on this Job Quality Index in the record of this hearing, for future reference.

Representative Saxton. Without objection.

[The Center for National Policy's July 8, 1997 press release, "Economic Boom Modestly Boosting Wages But Workers' Health and Pension Benefits Still Eroding" and Job Quality Index appear in the Submissions for the Record.]

Senator Bingaman. In analyzing the most recent Job Quality Index, Dr. Metoff commented and made the statement that these data show that the economy is creating millions of new jobs that pay the same, on average, as the old ones. However, the new jobs are less likely to offer either health or pension benefits. Do you have any data or other material which might confirm or deny this conclusion?

Ms. Abraham. Well, just on a month-to-month basis, we don't directly collect that information. My understanding about what Professor Medoff is doing in constructing this Index is to look at a point in time, at industries and occupations, and figure out how likely it is that jobs in those industries and occupations have health or pension benefits associated with them; and then looking at the change in employment in those industries and occupations and drawing some inference from that, which isn't the same thing as having direct information on what is happening to health and pension coverage.

If, for example, the likelihood of people in a particular industry and occupation getting those benefits is changing, that calculation won't pick it up. It is sort of what you can do with the data that we have on a month-to-month basis. We do have some information on looking over a longer period of time at what is happening to rates of coverage for health benefits and also for retirement benefits.

The most current data we have, unfortunately, at this point are for 1993, for the data that we collect as part of the Current Population Survey. What you do see, if you look at those data, is declines over the period from 1983 to 1993 in the proportion of people who have employer provided health coverage.

The story for retirement plans is a little different. Over that same period, you actually don't see any change in the proportion of the work force that is covered by retirement plans, though you do see some important changes, we know, from looking at other data in the mix of plans that are offered. So-called defined benefit plans, where people can look forward to a benefit that is a formula-based benefit, depending on their salary and years of service, are less important. Defined contribution plans, where their benefit is going to depend on the earnings and their investments, have grown in importance.

Senator Bingaman. We received some information from the Department of Labor last year, which indicated on a state-by-state basis, the percentage of the private sector work-force covered by a pension. In New Mexico, 71 percent of private sector employees were not covered by a pension. Is that consistent with any information you have? Did this data come from your Bureau?

Mr. Rones. You said 70 percent have no coverage?

Senator Bingaman. 71.

Mr. Rones. Okay, that would be much higher than the national average. It is so much higher that it suggests to me that it may be apples and oranges, that we are talking about some somewhat different measure.

Ms. Abraham. Perhaps we could take a look at the information you received, which I don't think came from us.

Senator Bingaman. It came from the Department of Labor, but I don't know from whom.

Ms. Abraham. It may have been the Pension Welfare Benefits Administration, but I would like to take a look at it, if I could.

Senator Bingaman. I think the question whether or not the new jobs or the mix of jobs in the economy offer health care benefits and

pension benefits, is one that we should be able to answer. What do we have to do in order to collect and monitor information on health care and pension coverage?

Ms. Abraham. Well, I was talking, in the data that I was citing, about the survey we do of households. We also do separately collect information from establishments about whether they offer these benefits. We survey medium and large establishments and then survey small establishments. It is a somewhat different cut at this. We are in the process of trying to improve the information that we collect from employers, and I could maybe provide you some information on what exactly we are going to be doing on what sort of schedule as we move forward.

Senator Bingaman. I would appreciate if you could do that. You might also indicate what you could do if you had sufficient funds. We have the Labor-HHS appropriation bill coming before the Senate fairly soon, and I would think that this effort might be of interest to Members.

Ms. Abraham. Just to be clear, we are, as we speak, midway through a revamping of our surveys that collect information from employers on compensation generally, but benefits in particular. So I think that as we move forward, the information we have will be better, but it also may be that there is more we could be doing. So let me provide you information on what we are doing and also what the limitations of that are.

Senator Bingaman. Let me shift to another issue. The unemployment figures are very low and have been falling. Do these have any relation to falling labor participation rates? My question relates to the Chairman's question. I guess is another way to put it is—are fewer people unemployed because fewer people are looking for work?

Ms. Abraham. That is a good question. In fact, if you look over the last year, we have seen rather significant increases in the size of the labor force and also increases in the labor force participation rate. The share of the population aged 16 and up that is in the labor force, that has gone up a little bit. So, no, what we have been seeing in terms of unemployment is not a consequence of a shrinking labor force.

Senator Bingaman. So you don't believe that there are fewer people looking for work?

Ms. Abraham. No. As we are measuring that, that has been going up, and going up enough that the share of the population looking for work even is a tick higher. We are more than keeping up with population

growth. Over the last few months, the last four months, the labor force has not grown, but prior to that time it had been growing at a good clip.

Senator Bingaman. Is it correct to assume that the employment-population ratio of 63.8 includes all persons 16 and older in the population? Do we know what the other 36.2 percent is made up of?

Ms. Abraham. Well, we have somewhat limited information on that. We know about the age distribution of those folks, and I may have some—

Senator Bingaman. Are we talking about people, even elderly people, who would not be expected to be working?

Ms. Abraham. Right, and I think I may have some figures readily at hand. Taking annual average data for 1996, there were 67 million people not in the labor force. About 28 million of them were aged 65 and over, and another 11.2 million of them were ages 16 to 24, i.e., loosely speaking, school age. Obviously, people in either of those age groups may choose to become employed, but that gives some indication as to the composition.

Senator Bingaman. Then what is the balance? You still have 25 million, or so.

Ms. Abraham. Let us see. We started out with 66, 67 million and we have accounted for about 39 million, so we have another roughly 28 million who are ages 25 to 64.

Senator Bingaman. Do we have a way of telling what the situation is for these folks? Do they have so much money that they don't need to work? Are they disabled? Are they on a sabbatical? What do we know about their situation?

Ms. Abraham. Academics actually work fairly hard, if you are referring to that sort of sabbatical. We know about their demographic characteristics. We could probably generate some information on family income situation, that sort of thing. We used to ask these folks what they were doing, what was their main activity, but ended up concluding that the answers weren't especially meaningful, that it was hard to interpret them. People in similar situations might give different answers, just depending on how they perceive the situation. If you would like, we can get for you information on gender and age, how old these people are, probably whether there are children in the household, some of that kind of thing.

Senator Bingaman. I would be interested in whatever information you have readily available as to who these folks are and what we know

about how the makeup of this group has changed over the last decade or so.

Thank you, Mr. Chairman.

Representative Saxton. Thank you, Senator.

Representative Hinchey.

OPENING STATEMENT OF REPRESENTATIVE MAURICE D. HINCHEY

Representative Hinchey. Thank you very much, Mr. Chairman, and good morning, Dr. Abraham, gentlemen.

Doctor, back in June I asked why the Bureau includes nominal wage data and not real wage data in its monthly employment situation release, and you explained at that time that it was because the Consumer Price Index (CPI) was not available to you so that you could adjust that number prior to the release. My concern is that without the adjustment, the numbers might be misinterpreted, in a way that would draw people to conclude that wages were increasing when in fact, in a real sense, they may not be; or that inflation is increasing when, in a real sense, it may not be. I continue to wonder if it might not be a better idea to coordinate the release of these numbers in a different way so that you had real numbers coming out instead of nominal numbers, so that the prospect of misinterpretation might be diminished. Do you see any value in that?

Ms. Abraham. That is an interesting question. I guess your concern is that people will misinterpret these numbers.

Representative Hinchey. That is correct, yes, or I am concerned they may be intentionally misinterpreted for some reason, and the prospect of that would be lessened if we were dealing with real numbers instead of nominal numbers, so the nominal numbers may not be presented or represented as real.

Ms. Abraham. I guess it is my sense that users of these data generally appreciate that if you want to think about what is really happening to compensation in real terms, that you need to think not just about the nominal numbers but also about what is happening to consumer prices. Particularly at a point like this, where we have been seeing fairly stable inflation, I guess it is my sense that it would be pretty hard for people to misinterpret these figures, so this is not something that I personally would be greatly concerned about.

Representative Hinchey. That is very true in this particular climate, but it is also likely that the present circumstances will not prevail

indefinitely. So we might have a situation in the future where these numbers are subject to misinterpretation, or to manipulation for some other purposes. You don't think that is true?

Ms. Abraham. I guess I am not really concerned about this, in that people do recognize that you have got to look both at the nominal wages and at what is happening to inflation. By and large, it is my sense that the data seem to be used appropriately, and people understand how they ought to be used.

Representative Hinchey. Well, the question has been suggested to me just now, who makes the decision as to when the data are released, and what are the circumstances surrounding that decision?

Ms. Abraham. We do.

Representative Hinchey. You do? Okay. So you are not concerned, then. You think that people are sophisticated enough to understand that these are nominal and that they should not be represented as real, and you think that there are sufficient safeguards available to make sure that those kinds of misinterpretations do not become legion.

Ms. Abraham. Well, among other safeguards, there are people such as yourself who, if you saw the data being misused, would have an opportunity to point that out.

Representative Hinchey. Yes, but there aren't enough of us. In any case, I think it is an issue, and I would hope that you would consider it, think about it, and just question whether for the sake of accuracy it might not be wiser to wait a few days until the CPI is out, so the numbers can be adjusted so that there is no ambiguity and no question about it. You might think about it.

Ms. Abraham. We certainly could think about it. As a general rule, we like to get information, and are under guidance saying we ought to get information out as soon as we have it available and ready to release. If there is value in the information, as a general matter, we would prefer to get it out.

Representative Hinchey. What is the time lag, usually, between the release of the nominal data and the availability of the CPI?

Ms. Abraham. Ten days to two weeks. I am trying to think about what the typical CPI release date is. It is a relatively short period of time.

Representative Hinchey. Is there any way to get the CPI data more quickly?

Ms. Abraham. I don't believe there is. The CPI data collection for a month takes place over essentially the whole month, so it is not until

towards the end of the month that the price collectors have actually even been out in the stores, and we have greatly accelerated the release of the CPI. The figure I have in mind is by 10 days, compared to the lag in getting it out in the past. I think it would be hard to cut it down more.

Representative Hinchey. Well, we will continue to look at this and see if it does become an issue, and I may or may not raise it with you again.

Ms. Abraham. Okay.

Representative Hinchey. You note that factory employment was flat, following seven months of moderate growth, but you also indicate good news in electronic components, transportation equipment, industrial machinery, the real value-added aspects of manufacturing and durable goods production. It continues to increase. But I didn't see any indication of by how much the gains in the durable goods were increasing. You note they offset the declines in nondurable manufactured employment.

Ms. Abraham. Let me just get those figures out. Overall, net employment in goods manufacturing was down by 5,000 over the month. Durable goods manufacturing employment rose by 20,000. Nondurable goods manufacturing employment fell by 25,000.

Representative Hinchey. So you had an actual net loss in manufacturing, but—

Ms. Abraham. Well, 5,000, we would characterize is essentially flat.

Representative Hinchey. Essentially flat. This is part of a trend, though, isn't it, that the durable goods section of the manufacturing sector continues to be fairly strong or relatively strong?

Ms. Abraham. Well, let us just go back. Durable manufacturing employment compared to a year ago is up by some 144,000, whereas, over the last year nondurable manufacturing employment is down by 71,000, so—Phil is giving me a slightly different number.

Mr. Rones. Since December of 1993, durable goods manufacturing is up 642,000 thousand, so there has been considerable gain there, and as you know, that has been offset by declines in some of the nondurables, particularly textiles and apparel and a few others. So the 1993 figure, as we come out of the recession and kind of the employment recession that followed it a little bit, we have had considerable growth in the industries that you are describing.

Representative Hinchey. Well, I think that is certainly good news for the economy if that continues. The inflation indicators are also either

stable or down. I see you note the average monthly increase in hourly earnings is up only 2.9 cents, as compared to 3.8 cents in 1996.

Ms. Abraham. Average monthly gain.

Representative Hinchey. Average monthly gain. So these average monthly gains are, in recent history, a relatively new phenomenon. We hadn't seen increases in monthly gains and hourly wages for some time. Recently we have begun to see them, but they are not occurring in a way that indicates there is going to be any wage inflation anywhere. Would you conclude that?

Ms. Abraham. Well, just to characterize the pattern of increases, we had been looking at year-over-year increases in nominal average hourly earnings. As of the beginning of this year, the increase for this year was bigger than the increase in the prior year, and that in turn was bigger than the increase in the prior year. What we are seeing over the last few months is that maybe that is no longer going on, so there seems to have been some recent deceleration in the rate of growth of average hourly earnings.

Representative Hinchey. In June, also we talked about the relative employment performance of the several states as compared to the economy of the Nation as a whole. I see in your report that while the national economy is rising fairly rapidly, and that is true of a number of other states, this particular chart shows New Mexico, for example, rising at about twice the rate of the national economy, but in New York that is not the case. We have not recovered all the job losses of the last recession, and the unemployment picture there, although it has shown some signs of improvement since '93, is still relatively flat. Am I reading this accurately?

Ms. Abraham. Phil, I think you probably may have some of those data. Just looking at data on employment growth, for example, over the last year, there certainly are significant differences across regions of the country. The mid-Atlantic region, and New York in particular, have experienced employment growth that is quite a lot below the national average. So that is, I think, consistent with what you are saying. I don't know that I have in front of me exactly the figures.

Representative Hinchey. This is relative to the U.S. economy. It shows relative employment performance.

Ms. Abraham. Right. No, that is correct that the employment growth in New York State, which is what I have in front of me, has

lagged considerably behind the national average employment growth rate.

Mr. Rones. If you look at the payroll employment survey for New York, over the last year, New York ranks 44th among the States in terms of its rate of employment growth. So it is slightly under a 1 percent increase over that period, and that is towards the bottom of the list.

Representative Hinchey. Well, thank you very much.

Representative Saxton. Thank you, Representative Hinchey.

Dr. Abraham, let me explore two issues with you. I know you don't often like to venture opinions that are outside of the employment numbers, but there are a couple things that have happened in the economy that are kind of interesting to me.

This expansion is now in its seventh year, which is quite good. It started in the second quarter of '91 and continues through this month, obviously.

During our research, we have found that the average peacetime expansion since World War II has been about 43 months, and we are now in our seventh year. That is quite remarkable.

What makes it even more interesting is that the previous expansion, which began in 1983 and carried through 1990, was also extended, being about seven and one-half years. So we have had two expansions in a row that have lasted about seven years and this one appears to be continuing on, which is good.

So we have had two seven-year expansions in a row, which amounts to something in the neighborhood of 170 months of expansion since 1983, and the recession lasted nine months. That seems to be quite remarkable. I am wondering if you or Mr. Rones or Mr. Dalton would like to comment on that very peculiar set of circumstances?

Ms. Abraham. Those are interesting facts, but I don't feel like I have any real competence to explain what it is that lies behind them.

Representative Saxton. No economic guesses?

Ms. Abraham. No. Not being the Bureau of guesses, no.

Representative Saxton. You will verify that those are facts?

Ms. Abraham. Oh, yes. The facts are striking that we have had long periods of recovery and expansion, and these periods of expansion have been longer than had been typical of the postwar period.

Representative Saxton. The other thing that strikes me about these two periods of expansion is that in both cases, for the most part, inflation

was relatively low, not as low during the first seven-year expansion as during this seven-year expansion, but relatively so. We had one year in the previous expansion where inflation was around 6 percent. That was 1990, but the previous months, the previous years, inflation was 4, 4.5 percent, and in this expansion we have done even better. The inflation rate has been under 3 percent, for the most part, and exceeded, in the numbers I have here in 1996, exceeded 3 percent just in that year.

So that is another relatively remarkable set of circumstances, and it is related to something else that I would just like to ask you about and see if you have any comments with regard to.

The notion has been, historically, that when you get along in an expansion like we are today, and the unemployment rate continues to ratchet down, that the excess supply of labor continues to become smaller, and because the economy is doing well, the demand for labor gets stronger. Therefore, you would expect to see increases in hourly wages because of the short supply of labor, the short extra supply of labor, surplus supply of labor. I am not using the right terms here, probably.

Ms. Abraham. No, you are.

Representative Saxton. And the strong demand for labor. And yet, in this expansion, for some reason, the surplus labor supply has ratcheted down, the demand for labor continues to be high, and yet wages aren't going up. Is that an accurate statement?

Ms. Abraham. The facts as you have described them seem accurate to me.

Representative Saxton. I don't expect we can get you to speculate on why this is occurring.

Ms. Abraham. I am as puzzled as others are about what looks like perhaps a divergence from the historical, what you might have expected based on historical patterns.

Representative Saxton. There is some thought that perhaps the new technologies that we have today have something to do with this.

Ms. Abraham. Yes.

Representative Saxton. Well, in any event, we can identify the questions and hope that someday we can figure out what some of the answers are.

Representative Hinchey, do you have any further questions or comments this morning?

Representative Hinchey. Well maybe just one or two, Mr. Chairman.

I am interested in this discrepancy in gross domestic product (GDP), depending upon how it is measured. If GDP is measured by output, you get one number. If it is measured by income components, you get another number, and that discrepancy seems to be growing.

Now I know that is not the special province of your Bureau, but you do provide the numbers in some cases that lead into that analysis, and I am curious to know if anyone is looking at this growing discrepancy in a way that would lead us to draw any conclusions about what it might mean for the future of the economy.

Ms. Abraham. We provide some, not all, of the data that get used in putting together the national accounts. I know that the folks at the Bureau of Economic Analysis and the Department of Commerce are looking at this, and it has, of course, gotten considerable attention, the size of that gap in the recent period, but I do not know what they have identified as factors responsible.

Representative Hinchey. Mr. Chairman, this might be something for us to inquire into, as to why the GDP numbers are changing. The Bureau of Economic Analysis might be able to give us some indication of why that is happening, I just refer to you for your consideration.

Representative Saxton. Well, thank you very much. That is certainly a good thought and something that we might want to look at.

Well, Dr. Abraham, Mr. Dalton and Mr. Rones, thank you for being here this morning to share your time and thoughts with us on these obviously very important issues, and we will look forward to seeing you again in September.

Ms. Abraham. Thank you, Mr. Chairman.

[Whereupon, at 10:25 a.m., the hearing was concluded.]

SUBMISSIONS FOR THE RECORD

PREPARED STATEMENT OF REPRESENTATIVE JIM SAXTON, CHAIRMAN

It is once again a pleasure to welcome Commissioner Abraham before the Joint Economic Committee.

The employment data released today shows the current economic expansion continues to generate job gains. According to the payroll survey, 316,000 jobs were created in July. Private sector job gains totaled about 260,000. The household survey shows that employment rose by 344,000 last month.

The civilian unemployment rate stood at 4.8 percent in July, compared to 5.0 percent the previous month. The employment-unemployment ratio, an important gauge of the economy's job creation, remains near historically high levels at 63.8 percent.

Recent trends suggest the economy is doing quite well, with economic and employment growth steadily expanding and unemployment falling. In fact, this economic expansion is now in its seventh year, making it one of the longest post-World War II upswings. Moreover, the expansion has been remarkably balanced, with little reason to expect disruption or serious problems in the near term.

At the same time, most inflation measures suggest inflation remains well contained with little sign of an imminent resurgence.

This mix of events has puzzled many economists and even some key U.S. policy makers. With the unemployment rate relatively low and the economy expanding at a healthy pace, many had expected much higher increases in wages and prices than have actually occurred. But so far during this expansion, low unemployment and healthy economic growth have not proven accurate precursors of higher inflation. Moreover, low inflation has not been associated with higher unemployment as some have predicted. Instead, lower inflation has been associated with lower unemployment.

In this context I believe the Federal Reserve has recently adopted an appropriate stance. Rather than overreacting to healthy real economic and employment growth and low unemployment, monetary policy is consistent with the view that other variables are more reliable indicators of future inflation. In particular, forwardlooking inflation indicators that I have emphasized—such as commodity prices, the value of the dollar

and bond yields—suggest that no serious upturn in inflation is imminent. These variables suggest there is little reason to change monetary policy now.

In any case, the good news is that the economy continues to expand at a healthy pace with both low unemployment and inflation. The sustained business cycle expansion has also collapsed the budget deficit, with some projections showing a deficit under \$30 billion in 1997.

We look forward to your testimony as well as to your interpretation of recent labor market conditions and trends.

**PREPARED STATEMENT OF
THE HONORABLE KATHARINE G. ABRAHAM**

Mr. Chairman and Members of the Committee:

I would like to thank you for this opportunity to comment on the employment and unemployment data that were released this morning.

Nonfarm payroll employment grew by 316,000 in July, driven by strong growth in the service-producing sector. The unemployment rate, which had risen to 5.0 percent in June, returned to its May level of 4.8 percent.

Employment in the services industry grouping, which accounts for about a third of the broader service-producing sector, grew by 113,000, about in line with its average monthly growth in the first half of 1997. Health services employment increased by 31,000, rebounding from an uncharacteristically weak June. Employment growth in engineering and management services also was quite strong. Computer services, which has grown rapidly for the past 3 years, continued its upward trend.

Retail trade added 65,000 jobs in July. For the second straight month, employment in eating and drinking places accounted for about half of the increase. Job growth in food stores, which had been slow but steady during the first half of this year, was unusually strong. Employment growth in wholesale trade, which had slowed over the second quarter, accelerated to 29,000 in July.

Air transportation posted a job gain of 7,000 in July. After a strong first quarter, this industry had slumped in the second quarter. Employment in both trucking and communications also rose over the month. Public utilities employment was about unchanged in July; since November 1991, this industry has shed nearly 100,000 jobs. Finance, insurance, and real estate grew by 26,000 jobs over the month, more than twice the average monthly growth over the prior year.

State and local education accounted for virtually the entire 56,000 rise in government employment, on a seasonally adjusted basis. It should be noted that, due to ongoing changes in the pattern of seasonal employment swings in local education, calculating seasonally adjusted employment estimates for this industry during the summer months has become somewhat problematic.

In the goods-producing sector, factory employment was flat in July, following 7 months of moderate growth. In durable goods manufacturing, industrial machinery, electronic components, and trans-

portation equipment all continued to grow. Gain in durables were offset by widespread declines in nondurable goods manufacturing. Employment in food processing fell by 8,000 and textiles and apparel both continued long-term declines. Printing and publishing was down slightly after four months of growth.

Construction employment was virtually unchanged for the second straight month. Gains among general contractors were partially offset by a continued decline in heavy construction.

Average hourly earning of production and nonsupervisory workers were unchanged over the month. The average monthly increase in hourly earnings thus far in 1997 (2.9 cents) is lower than over the twelve months of 1996 (3.8 cents).

Turning to data from the household survey, the unemployment rate edged down to 4.8 percent, reversing a rise in the prior month. Among the major demographic groups, the unemployment rate for blacks fell to 9.4 percent. Total civilian employment was up by 344,000 over the month. Since the end of 1996, it has risen by about 1.6 million.

In summary, the labor market showed continuing strength in July. Payroll employment grew, with virtually all the gains coming in the service-producing sector. The unemployment rate returned to its May level of 4.8 percent.

My colleagues and I now would be glad to answer your questions.

News

United States
Department
of Labor



Bureau of Labor Statistics

Washington, D.C. 20212

Internet address: <http://stats.bls.gov:80/newsrels.htm>

Technical information:

Household data: (202) 606-6378

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Media contact: 606-5902

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606-5902

Transmission of material in this release is embargoed until 8:30 A.M. (EDT), Friday, August 1, 1997.

THE EMPLOYMENT SITUATION: JULY 1997

Employment rose, and the unemployment rate edged down to 4.8 percent in July, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The jobless rate had risen from 4.8 percent in May to 5.0 percent in June. The number of payroll jobs increased by 316,000 in July, with widespread gains in the service-producing sector of the economy. Average weekly hours declined, and average hourly earnings were unchanged over the month.

Chart 1. Unemployment rate, seasonally adjusted, August 1994 - July 1997

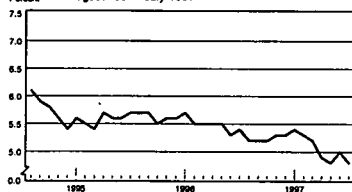
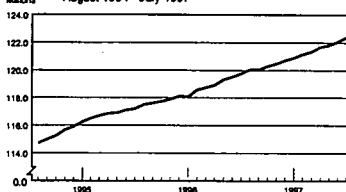


Chart 2. Nonfarm payroll employment, seasonally adjusted, August 1994 - July 1997



Unemployment (Household Survey Data)

The number of unemployed persons, 6.6 million, and the unemployment rate, 4.8 percent, edged down in July. Among the major worker groups, the rate for black workers declined to 9.4 percent. Rates for adult women (4.2 percent), adult men (4.0 percent), teenagers (16.4 percent), whites (4.2 percent), and Hispanics (7.9 percent) showed little or no change from June. (See tables A-1 and A-2.)

The number of persons unemployed for less than 15 weeks declined, with most of the drop occurring among those unemployed for less than 5 weeks. The number of persons unemployed for longer periods was little changed. As a result, both the mean and median duration of unemployment increased—to 16.6 and 8.5 weeks, respectively. A decline in the number of persons unemployed in July because they had lost their last jobs offset an increase of similar size in June. (See tables A-5 and A-6.)

Table A. Major indicators of labor market activity, seasonally adjusted
(Numbers in thousands)

Category	Quarterly averages		Monthly data			June-
	1997 ¹		1997 ¹			July
	I	II	May	June	July	change
HOUSEHOLD DATA						
Labor force status						
Civilian labor force.....	135,934	136,157	136,173	136,200	136,290	90
Employment.....	128,728	129,462	129,639	129,364	129,708	344
Unemployment.....	7,206	6,695	6,534	6,836	6,583	-253
Not in labor force.....	66,462	66,678	66,659	66,800	66,876	76
Unemployment rates						
All workers.....	5.3	4.9	4.8	5.0	4.8	-0.2
Adult men.....	4.5	4.1	3.8	4.2	4.0	-2
Adult women.....	4.7	4.4	4.5	4.4	4.2	-2
Teenagers.....	17.0	15.9	15.6	16.8	16.4	-4
White.....	4.5	4.1	4.0	4.2	4.2	.0
Black.....	10.9	10.2	10.3	10.4	9.4	-1.0
Hispanic origin.....	8.3	7.7	7.4	7.6	7.9	.3
ESTABLISHMENT DATA						
Employment						
Nonfarm employment.....	121,138	p121,856	121,834	p122,062	p122,378	p316
Goods-producing ²	24,635	p24,696	24,702	p24,720	p24,716	p-4
Construction.....	5,585	p5,617	5,628	p5,624	p5,627	p3
Manufacturing.....	18,476	p18,504	18,498	p18,520	p18,515	p-5
Service-producing ²	96,504	p97,159	97,132	p97,342	p97,662	p320
Retail trade.....	21,928	p22,044	22,026	p22,077	p22,142	p65
Services.....	35,086	p35,435	35,451	p35,521	p35,634	p113
Government.....	19,540	p19,595	19,565	p19,642	p19,698	p56
Hours of work ³						
Total private.....	34.7	p34.6	34.5	p34.7	p34.4	p-0.3
Manufacturing.....	41.9	p42.0	42.0	p41.8	p41.7	p-.1
Overtime.....	4.8	p4.8	4.8	p4.7	p4.6	p-.1
Earnings ³						
Average hourly earnings, total private.....	\$12.10	p\$12.19	\$12.19	p\$12.23	p\$12.23	p\$0.00
Average weekly earnings, total private.....	419.36	p421.26	420.56	p424.38	p420.71	p-3.67

¹ Beginning in January 1997, household data reflect revised population controls used in the survey.

² Includes other industries, not shown separately.

³ Data relate to private production or nonsupervisory workers.

p=preliminary.

Total Employment and the Labor Force (Household Survey Data)

Total employment rose in July, to a seasonally adjusted level of 129.7 million. Since July 1996, employment has increased by 2.5 million, after adjusting for the change in the population controls made in January. The proportion of the population with jobs (the employment-to-population ratio) was 63.8 percent in July; it has been at or near that level for 5 months. (See table A-1.)

About 8.1 million persons, not seasonally adjusted, held more than one job in July, up from 7.6 million a year earlier. These multiple jobholders accounted for 6.1 percent of all workers, compared with 5.9 percent in July 1996. (See table A-9.)

Both the civilian labor force, 136.3 million, and the labor force participation rate, 67.1 percent, were about unchanged in July and have shown little movement since March. (See table A-1.)

Persons Not in the Labor Force (Household Survey Data)

About 1.3 million persons (not seasonally adjusted) were marginally attached to the labor force in July—that is, they wanted and were available for work and had looked for jobs sometime in the prior 12 months.

The number of discouraged workers—a subset of the marginally attached who were not currently looking for jobs specifically because they believed no jobs were available for them or there were none for which they would qualify—was 311,000 in July, down from 423,000 a year earlier. (See table A-9.)

Industry Payroll Employment (Establishment Survey Data)

Nonfarm payroll employment rose by 316,000 to 122.4 million in July, after seasonal adjustment. Job gains had averaged 234,000 per month for the first 6 months of this year. Although gains were strong throughout most of the service-producing sector, employment was flat in the goods-producing sector. (See table B-1.)

Employment in services rose by 113,000 in July, about in line with the average monthly increases (106,000) during the first half of this year. Health services resumed its pattern of brisk hiring (31,000), after a small decline in June. Engineering and management services and computer and data processing services continued to show strength, generating job gains of 26,000 and 12,000, respectively. Stronger-than-usual summer hiring in membership organizations resulted in a large job gain in July (9,000).

Retail trade experienced a substantial increase in employment in July (65,000), the second large gain in a row. Roughly half of the July job gain occurred in eating and drinking places, as was the case in June. Food stores added 21,000 jobs in July, following relatively weak job growth in the first half of this year.

Government employment increased by 56,000 over the month. For the second month in a row, there was a large gain in local government education (48,000 in July). Changing seasonal patterns in hiring by local school systems make it difficult to seasonally adjust these data with precision. Federal government employment was little changed in July.

Within transportation and public utilities, trucking (12,000), air transportation (7,000), and communications (6,000) all showed employment increases, following little or no change in June. Employment in public utilities was about unchanged in July, but has declined by nearly 100,000 since November 1991. Finance, insurance, and real estate each showed substantial job gains in July. Insurance

continued its recent growth spurt, adding 16,000 jobs since March. Wholesale trade employment rose sharply in July (29,000); durable goods distribution continued a strong growth trend, while the gain in nondurables reversed losses of 6,000 jobs in the prior 2 months.

Construction employment was little changed for the second month in a row. So far this year, construction has gained an average of 15,000 jobs a month, compared with 24,000 a month in 1996.

Manufacturing employment was little changed in July, following an increase of 22,000 in June. Gains in several durable goods industries in July were offset by widespread losses in nondurable goods. Strength in durables was again concentrated in industrial machinery (5,000), electronic components (4,000), and aircraft (4,000). Within nondurable goods, food products experienced the largest decline (8,000). Printing and publishing lost 3,000 of the 17,000 jobs it had added since February.

Weekly Hours (Establishment Survey Data)

The average workweek for production or nonsupervisory workers on private nonfarm payrolls declined by 0.3 hour in July to 34.4 hours, seasonally adjusted. The manufacturing workweek and factory overtime both fell slightly, to 41.7 and 4.6 hours, respectively. (See table B-2.)

As a result of the decline in the average workweek, the index of aggregate weekly hours of private production or nonsupervisory workers on nonfarm payrolls declined by 0.5 percent, to 139.9 (1982=100), seasonally adjusted. (See table B-5.)

Hourly and Weekly Earnings (Establishment Survey Data)

Average hourly earnings of private production or nonsupervisory workers on nonfarm payrolls were unchanged at \$12.23, seasonally adjusted, following a gain of 4 cents in June. Average weekly earnings declined by 0.9 percent in July to \$420.71, reflecting the decline in average weekly hours. Over the past year, average hourly earnings have risen by 3.6 percent while average weekly earnings were up by 3.9 percent. (See table B-3.)

The Employment Situation for August 1997 is scheduled to be released on Friday, September 5, at 8:30 A.M. (EDT).

Changes in Household Data Series

Effective with the release of data for December 1997 in January 1998, improvements will be introduced into the composite estimation procedures used in the Current Population Survey. These changes will simplify processing of the monthly labor force data at BLS and will allow users of the survey microdata to replicate the official estimates released by BLS. In addition, there will be a slight decrease in the variance of some major estimates, particularly employment levels and the over-the-month change in those levels. The new procedures will produce somewhat lower estimates of the civilian labor force and employment. Data will be revised back to January 1997 to facilitate over-the-year comparisons between 1997 and 1998.

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				
	July 1996	June 1997	July 1997	July 1998	Mar. 1997	Apr. 1997	May 1997	June 1997	July 1997
TOTAL									
Civilian noninstitutional population	200,641	203,000	203,166	200,641	202,513	202,674	202,832	203,000	203,166
Civilian labor force	136,272	137,557	138,331	134,165	138,219	138,098	136,173	136,200	136,290
Participation rate	67.9	67.8	68.1	66.9	67.3	67.2	67.1	67.1	67.1
Employed	126,570	130,463	131,350	126,889	129,175	129,364	129,639	129,364	129,708
Employment-population ratio	64.1	64.3	64.7	63.2	63.8	63.8	63.9	63.7	63.8
Agriculture	3,862	3,757	3,849	3,470	3,386	3,497	3,430	3,391	3,482
Nonagricultural industries	124,717	126,705	127,501	123,419	125,789	125,867	126,209	125,973	126,226
Unemployed	7,693	7,094	6,981	7,276	7,144	6,714	6,534	6,836	6,583
Unemployment rate	5.6	5.2	5.0	5.4	5.2	4.9	4.8	5.0	4.8
Not in labor force	64,369	65,443	64,835	66,476	66,194	66,577	66,559	66,800	66,876
Men, 16 years and over									
Civilian noninstitutional population	96,230	97,649	97,733	96,230	97,387	97,474	97,559	97,649	97,733
Civilian labor force	73,801	74,312	74,674	72,317	73,268	73,232	73,200	73,242	73,230
Participation rate	76.7	76.1	76.4	75.2	75.2	75.1	75.0	75.0	74.9
Employed	69,819	70,819	71,157	68,376	69,476	69,627	69,629	69,567	69,749
Employment-population ratio	72.6	72.3	72.8	71.1	71.3	71.4	71.7	71.2	71.4
Unemployed	3,982	3,693	3,517	3,941	3,790	3,604	3,271	3,674	3,481
Unemployment rate	5.4	5.0	4.7	5.4	5.2	4.9	4.5	5.0	4.8
Men, 20 years and over									
Civilian noninstitutional population	88,614	89,829	89,888	88,614	89,604	89,680	89,768	89,829	89,888
Civilian labor force	68,639	69,549	69,614	68,222	69,111	69,147	69,058	69,167	69,200
Participation rate	77.5	77.4	77.4	77.0	77.1	77.1	76.9	77.0	77.0
Employed	65,818	66,828	66,962	65,071	66,066	66,243	66,418	66,266	66,414
Employment-population ratio	74.0	74.4	74.5	73.4	73.7	73.9	74.0	73.8	73.9
Agriculture	2,529	2,596	2,575	2,366	2,362	2,428	2,421	2,417	2,411
Nonagricultural industries	63,090	64,232	64,387	62,705	63,703	63,815	63,997	63,849	64,003
Unemployed	3,020	2,721	2,653	3,151	3,045	2,904	2,640	2,901	2,789
Unemployment rate	4.4	3.9	3.8	4.8	4.4	4.2	3.8	4.2	4.0
Women, 16 years and over									
Civilian noninstitutional population	104,411	105,351	105,433	104,411	105,127	105,200	105,274	105,351	105,433
Civilian labor force	62,471	63,245	63,656	61,848	63,051	62,866	62,973	62,958	63,060
Participation rate	59.8	60.0	60.4	59.2	60.0	59.8	59.8	59.8	59.8
Employed	58,760	59,843	60,193	58,315	59,697	59,756	59,710	59,796	59,926
Employment-population ratio	56.3	56.8	57.1	56.0	56.8	56.8	56.7	56.8	56.9
Unemployed	3,711	3,401	3,463	3,335	3,354	3,109	3,263	3,162	3,102
Unemployment rate	5.9	5.4	5.4	5.4	5.3	4.9	5.2	5.0	4.9
Women, 20 years and over									
Civilian noninstitutional population	97,064	97,834	97,919	97,064	97,638	97,685	97,767	97,834	97,919
Civilian labor force	57,933	58,908	58,952	58,139	59,130	58,974	59,130	59,207	59,186
Participation rate	59.7	60.2	60.2	59.9	60.8	60.4	60.5	60.5	60.4
Employed	54,880	56,263	56,243	55,315	56,359	56,362	56,481	56,585	56,685
Employment-population ratio	56.5	57.5	57.4	57.0	57.7	57.7	57.8	57.8	57.9
Agriculture	913	809	902	847	739	779	743	740	841
Nonagricultural industries	53,968	55,454	55,342	54,488	55,620	55,613	55,738	55,845	55,844
Unemployed	3,052	2,645	2,708	2,824	2,771	2,581	2,850	2,621	2,501
Unemployment rate	5.3	4.5	4.6	4.9	4.7	4.4	4.5	4.4	4.2
Both sexes, 16 to 19 years									
Civilian noninstitutional population	14,963	15,336	15,359	14,963	15,271	15,308	15,300	15,336	15,359
Civilian labor force	8,701	9,100	9,764	7,804	8,978	9,077	7,994	7,828	7,801
Participation rate	64.8	59.3	63.6	52.2	52.9	52.1	52.2	51.0	51.4
Employed	8,090	7,372	8,145	6,503	6,750	6,748	6,740	6,512	6,608
Employment-population ratio	54.0	48.1	53.0	43.5	44.2	44.1	44.1	42.5	43.0
Agriculture	420	353	371	257	295	290	266	234	229
Nonagricultural industries	7,660	7,019	7,773	6,246	6,455	6,458	6,474	6,279	6,379
Unemployed	1,620	1,728	1,620	1,301	1,328	1,229	1,244	1,314	1,293
Unemployment rate	18.7	19.0	16.8	16.7	16.4	15.4	15.8	16.8	16.4

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

NOTE: Beginning in January 1997, data reflect revised population controls used in the household survey.

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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 1998	June 1997	July 1997	July 1998	Mar. 1997	Apr. 1997	May 1997	June 1997	July 1997
	WHITE								
Civilian noninstitutional population	168,345	169,897	170,010	168,345	169,569	169,875	169,782	169,897	170,010
Civilian labor force	114,808	115,832	116,263	113,139	114,736	114,818	114,630	114,691	114,827
Participation rate	68.2	68.2	68.4	67.2	67.7	67.8	67.5	67.5	67.4
Employed	109,338	110,830	111,323	107,882	109,630	109,831	110,052	109,823	109,853
Employment-population ratio	64.9	65.2	65.5	64.1	64.7	64.7	64.8	64.8	64.6
Unemployed	5,470	4,994	4,942	5,277	5,106	4,786	4,576	4,870	4,774
Unemployment rate	4.8	4.3	4.3	4.7	4.5	4.2	4.0	4.2	4.2
Men, 20 years and over									
Civilian labor force	58,789	59,447	59,465	58,432	59,181	59,196	59,008	59,088	59,096
Participation rate	77.9	77.9	77.9	77.4	77.7	77.7	77.4	77.5	77.4
Employed	58,584	57,494	57,343	56,085	56,923	57,057	57,112	56,981	57,090
Employment-population ratio	75.0	75.4	75.4	74.3	74.8	74.9	74.9	74.7	74.7
Unemployed	2,205	1,953	1,922	2,347	2,238	2,139	1,895	2,107	2,066
Unemployment rate	3.8	3.3	3.2	4.0	3.8	3.6	3.2	3.6	3.5
Women, 20 years and over									
Civilian labor force	47,928	48,668	48,575	48,074	48,832	48,862	48,874	48,924	48,756
Participation rate	59.1	59.7	59.8	59.3	60.0	59.8	60.0	60.1	59.8
Employed	45,779	46,848	46,726	46,097	46,915	46,902	47,047	47,128	47,025
Employment-population ratio	56.5	57.3	57.3	56.9	57.7	57.8	57.8	57.9	57.7
Unemployed	2,149	1,820	1,849	1,977	1,917	1,784	1,827	1,796	1,701
Unemployment rate	4.5	3.7	3.8	4.1	3.9	3.8	3.7	3.7	3.5
Both sexes, 16 to 19 years									
Civilian labor force	8,092	7,719	8,226	8,633	8,742	8,760	8,748	8,679	8,775
Participation rate	68.3	63.4	67.5	58.0	55.6	55.7	55.5	54.9	55.6
Employed	6,975	6,499	7,055	5,680	5,792	5,872	5,893	5,711	5,788
Employment-population ratio	58.9	53.4	57.9	48.0	47.7	48.4	48.5	46.9	47.3
Unemployed	1,117	1,220	1,171	953	951	888	855	968	1,007
Unemployment rate	13.8	15.8	14.2	14.4	14.1	13.1	12.7	14.5	14.9
Men	15.1	16.9	14.5	18.1	15.0	14.3	12.7	18.3	15.4
Women	12.3	14.6	14.0	12.4	13.1	11.9	12.7	12.6	14.3
BLACK									
Civilian noninstitutional population	23,611	23,978	24,006	23,611	23,885	23,923	23,950	23,978	24,006
Civilian labor force	15,590	15,605	15,877	15,212	15,439	15,365	15,434	15,398	15,510
Participation rate	66.0	65.1	66.1	64.4	64.6	64.2	64.4	64.2	64.6
Employed	13,785	13,854	14,218	13,612	13,794	13,863	13,837	13,793	14,055
Employment-population ratio	58.4	57.8	59.2	57.7	57.9	57.9	57.8	57.5	58.5
Unemployed	1,805	1,751	1,659	1,600	1,655	1,503	1,597	1,605	1,455
Unemployment rate	11.6	11.2	10.4	10.5	10.7	9.8	10.3	10.4	9.4
Men, 20 years and over									
Civilian labor force	8,878	8,943	8,992	8,848	8,803	8,905	8,831	8,928	8,957
Participation rate	73.0	72.8	73.0	72.7	71.6	71.4	71.5	72.4	72.6
Employed	8,233	8,327	8,411	8,212	8,173	8,234	8,255	8,296	8,386
Employment-population ratio	66.2	66.1	66.9	65.9	65.0	65.4	65.5	65.8	66.8
Unemployed	643	616	580	636	629	571	575	630	572
Unemployment rate	9.3	8.9	8.3	9.3	9.3	8.4	8.4	9.1	8.2
Women, 20 years and over									
Civilian labor force	7,469	7,597	7,688	7,457	7,641	7,641	7,683	7,615	7,689
Participation rate	63.1	63.4	64.0	63.0	63.9	63.8	64.1	63.5	64.0
Employed	6,741	6,800	6,989	6,797	6,934	6,967	6,974	6,921	7,053
Employment-population ratio	57.0	57.6	58.2	57.4	57.9	58.4	58.1	57.7	58.7
Unemployed	727	697	699	660	706	644	719	694	636
Unemployment rate	9.7	9.2	9.1	8.9	9.2	8.4	9.4	9.1	8.3
Both sexes, 16 to 19 years									
Civilian labor force	1,245	1,065	1,197	907	996	920	910	857	864
Participation rate	52.8	44.0	49.5	38.5	41.1	38.1	37.9	35.4	35.7
Employed	810	627	817	603	676	632	608	577	616
Employment-population ratio	34.4	25.9	33.8	25.6	27.9	28.2	25.3	23.8	25.5
Unemployed	435	439	379	304	319	287	302	281	247
Unemployment rate	34.9	41.2	31.7	33.5	32.1	31.2	33.2	32.7	28.8
Men	41.9	46.2	35.4	43.0	41.4	37.3	32.6	41.1	32.9
Women	28.6	36.0	28.1	22.4	23.7	25.3	33.8	24.5	25.1

See footnotes at end of table.

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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 1996	June 1997	July 1997	July 1996	Mar. 1997	Apr. 1997	May 1997	June 1997	July 1997
HISPANIC ORIGIN									
Civilian noninstitutional population	19,238	20,290	20,351	19,238	20,119	20,180	20,236	20,290	20,351
Civilian labor force	12,823	13,250	14,057	12,897	13,662	13,772	13,746	13,807	13,866
Participation rate	67.0	68.2	69.1	68.0	67.9	67.3	67.9	68.0	68.1
Employed	11,707	12,820	12,909	11,587	12,493	12,470	12,730	12,756	12,768
Employment-population ratio	60.9	63.2	63.4	60.1	62.1	61.8	62.9	62.9	62.7
Unemployed	1,158	1,019	1,149	1,300	1,169	1,102	1,016	1,051	1,098
Unemployment rate	9.2	7.4	8.2	8.9	8.6	8.1	7.4	7.6	7.9

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. Beginning in January 1997, data reflect revised population controls used in the household survey.

Table A-3. Selected employment indicators

(In thousands)

Category	Not seasonally adjusted			Seasonally adjusted					
	July 1996	June 1997	July 1997	July 1996	Mar. 1997	Apr. 1997	May 1997	June 1997	July 1997
CHARACTERISTIC									
Total employed, 16 years and over	128,579	130,463	131,350	128,889	129,175	129,384	129,839	129,364	129,708
Married men, spouse present	42,821	42,533	42,589	42,503	42,509	42,509	42,273	42,446	42,589
Married women, spouse present	32,157	32,259	32,406	32,634	32,699	32,473	32,445	32,519	32,898
Women who maintain families	7,157	7,831	7,767	7,253	7,720	7,838	7,858	7,847	7,801
OCCUPATION									
Managerial and professional specialty	38,181	37,271	37,209	38,505	37,723	37,599	37,318	37,493	37,558
Technical, sales, and administrative support	38,210	38,218	38,651	37,782	38,198	38,150	38,362	38,142	38,193
Service occupations	17,201	17,708	18,068	17,281	17,292	17,287	17,300	17,412	17,523
Precision production, craft, and repair	13,721	14,551	14,539	13,482	14,200	14,301	14,380	14,364	14,282
Operators, fabricators, and laborers	18,540	18,765	18,773	18,292	18,234	18,415	18,647	18,597	18,515
Farming, forestry, and fishing	4,128	3,950	4,111	3,565	3,507	3,605	3,680	3,499	3,554
CLASS OF WORKER									
Agriculture:									
Wage and salary workers	2,109	2,222	2,156	1,860	1,905	1,988	1,941	1,929	1,913
Self-employed workers	1,588	1,485	1,628	1,548	1,414	1,424	1,444	1,404	1,432
Unpaid family workers	68	50	64	53	59	70	50	40	53
Nonagricultural industries:									
Wage and salary workers	115,495	117,368	118,362	114,278	116,533	116,808	116,969	116,653	117,104
Government	17,781	17,648	17,825	18,280	17,994	18,036	17,807	18,099	18,338
Private industries	97,714	99,541	100,537	95,998	98,539	98,572	99,162	98,554	98,766
Private households	983	900	980	930	869	822	907	870	910
Other industries	98,729	98,641	99,578	95,068	97,671	97,650	98,195	97,684	97,856
Self-employed workers	9,068	9,180	9,002	8,984	8,984	8,984	9,108	9,128	8,887
Unpaid family workers	134	139	137	128	108	130	148	128	131
PERSONS AT WORK PART TIME									
All industries:									
Part time for economic reasons	4,648	4,258	4,278	4,338	4,153	4,402	4,019	4,025	4,017
Stack work or business conditions	2,553	2,275	2,211	2,552	2,344	2,491	2,300	2,375	2,211
Could only find part-time work	1,795	1,580	1,728	1,549	1,518	1,629	1,591	1,347	1,522
Part time for noneconomic reasons	15,551	16,728	15,727	17,877	16,120	16,178	16,336	16,322	16,015
Nonagricultural industries:									
Part time for economic reasons	4,441	4,024	4,123	4,150	3,937	4,235	3,806	3,782	3,872
Stack work or business conditions	2,437	2,140	2,115	2,422	2,210	2,374	2,159	2,220	2,102
Could only find part-time work	1,701	1,516	1,683	1,517	1,475	1,603	1,347	1,298	1,509
Part time for noneconomic reasons	14,910	16,182	15,102	17,250	17,565	17,661	17,780	17,663	17,418

NOTE: Persons at work excludes employed persons who were absent from their jobs during the entire reference week for reasons such as vacation, illness, or industrial dispute. Part time for noneconomic reasons excludes persons who usually

work full time but worked only 1 to 34 hours during the reference week for reasons such as holidays, illness, and bad weather. Beginning in January 1997, data reflect revised population controls used in the household survey.

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Table A-4. Selected unemployment indicators, seasonally adjusted

Category	Number of unemployed persons (in thousands)			Unemployment rates ¹					
	July 1996	June 1997	July 1997	July 1996	Mar. 1997	Apr. 1997	May 1997	June 1997	July 1997
CHARACTERISTIC									
Total, 16 years and over	7,276	6,836	6,583	5.4	5.2	4.9	4.8	5.0	4.8
Men, 20 years and over	3,151	2,901	2,789	4.6	4.4	4.2	3.8	4.2	4.0
Women, 20 years and over	2,824	2,821	2,501	4.9	4.7	4.4	4.5	4.4	4.2
Both sexes, 16 to 19 years	1,301	1,314	1,293	16.7	16.4	15.4	15.6	16.8	16.4
Married men, spouse present	1,309	1,159	1,149	3.0	2.8	2.7	2.6	2.7	2.6
Married women, spouse present	1,192	1,071	1,058	3.5	3.2	3.1	3.2	3.2	3.1
Women who maintain families	698	688	634	8.8	8.1	7.5	7.6	8.0	7.4
Full-time workers	5,813	5,515	5,309	5.3	5.1	4.8	4.7	4.9	4.7
Part-time workers	1,481	1,271	1,300	6.0	5.7	5.7	5.2	5.3	5.4
OCCUPATION²									
Managerial and professional specialty	892	748	748	2.4	2.0	2.0	2.1	2.0	2.0
Technical, sales, and administrative support	1,613	1,702	1,627	4.6	4.3	4.2	3.6	4.3	4.1
Precision production, craft, and repair	781	715	734	5.5	4.9	4.8	4.6	4.7	4.8
Operators, fabricators, and laborers	1,850	1,477	1,490	7.8	8.1	7.3	7.1	7.4	7.4
Farming, forestry, and fishing	254	308	227	6.7	7.4	6.6	6.2	6.1	6.0
INDUSTRY									
Nonagricultural private wage and salary workers	5,611	5,208	5,077	5.5	5.2	5.0	5.0	5.0	4.9
Goods-producing industries	1,640	1,403	1,547	5.8	5.5	5.4	5.2	5.2	5.4
Mining	17	15	25	3.0	4.0	2.0	3.0	2.3	3.8
Construction	638	591	600	9.8	9.6	8.7	8.4	8.5	8.7
Manufacturing	965	887	922	4.7	4.3	4.4	4.2	4.1	4.3
Durable goods	532	439	431	4.3	3.6	3.6	3.5	3.5	3.4
Nondurable goods	453	448	491	5.3	5.2	5.8	5.3	5.0	5.5
Service-producing industries	3,971	3,714	3,531	5.4	5.1	4.9	4.9	5.0	4.7
Transportation and public utilities	303	218	249	4.3	4.1	2.8	3.6	2.9	3.4
Wholesale and retail trade	1,663	1,737	1,591	6.3	6.3	6.2	6.1	6.5	6.0
Finance, insurance, and real estate	209	186	251	2.8	3.2	3.4	3.2	2.5	3.2
Services	1,778	1,573	1,440	5.5	4.8	4.6	4.6	4.8	4.3
Government workers	466	533	529	3.1	2.8	2.4	2.4	2.9	2.8
Agricultural wage and salary workers	188	229	156	9.1	9.5	9.6	7.1	10.6	7.5

¹ Unemployment as a percent of the civilian labor force.² Seasonally adjusted unemployment data for service occupations are not available because the seasonal component, which is small relative to the trend-cycle

and irregular components, cannot be separated with sufficient precision.

NOTE: Beginning in January 1997, data reflect revised population controls used in the household survey.

Table A-5. Duration of unemployment

(Numbers in thousands)

Duration	Not seasonally adjusted			Seasonally adjusted					
	July 1996	June 1997	July 1997	July 1996	Mar. 1997	Apr. 1997	May 1997	June 1997	July 1997
NUMBER OF UNEMPLOYED									
Less than 5 weeks	2,941	3,210	2,643	2,603	2,650	2,354	2,523	2,538	2,352
5 to 14 weeks	2,540	1,895	2,284	2,307	2,380	2,156	2,022	2,211	2,071
15 weeks and over	2,212	1,989	2,053	2,326	2,064	2,082	2,071	2,063	2,157
15 to 26 weeks	822	973	925	994	1,001	1,058	1,078	1,045	1,082
27 weeks and over	1,391	1,016	1,128	1,332	1,063	1,024	993	1,018	1,074
Average (mean) duration, in weeks	16.1	14.2	15.8	16.9	15.3	15.2	15.1	15.1	16.6
Median duration, in weeks	7.7	5.8	7.7	8.5	7.9	8.3	7.7	7.7	8.5
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	38.2	45.3	37.9	36.0	37.4	35.7	38.1	37.3	35.7
5 to 14 weeks	33.0	26.7	32.7	31.9	33.6	32.7	30.6	32.5	31.5
15 weeks and over	28.8	28.0	29.4	32.1	29.1	31.7	31.3	30.3	32.8
15 to 26 weeks	10.7	13.7	13.3	13.7	14.1	16.0	18.3	15.3	16.5
27 weeks and over	16.1	14.3	16.2	18.4	15.0	15.7	15.0	14.9	16.3

NOTE: Beginning in January 1997, data reflect revised population controls used in the household survey.

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Table A-6. Reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted			Seasonally adjusted					
	July 1996	June 1997	July 1997	July 1996	Mar. 1997	Apr. 1997	May 1997	June 1997	July 1997
NUMBER OF UNEMPLOYED									
Job losers and persons who completed temporary jobs	3,323	2,878	2,895	3,348	3,187	2,879	2,902	3,145	2,903
On temporary layoff	974	768	873	980	1,021	878	871	925	877
Not on temporary layoff	2,349	2,090	2,022	2,368	2,167	2,003	2,031	2,220	2,026
Permanent job losers	1,686	1,448	1,381	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Persons who completed temporary jobs	663	842	842	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
Job leavers	772	774	836	754	794	754	801	829	822
Reentrants	2,716	2,628	2,417	2,522	2,535	2,420	2,308	2,359	2,244
New entrants	682	814	833	590	647	577	574	481	553
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers and persons who completed temporary jobs	43.2	40.8	41.5	48.4	44.8	44.3	44.1	48.2	44.5
On temporary layoff	12.7	11.1	12.5	13.6	14.3	14.5	13.2	13.6	13.4
Not on temporary layoff	30.5	29.5	29.0	32.8	30.3	29.8	30.9	32.6	31.1
Job leavers	10.0	10.9	12.0	10.5	11.0	11.2	12.2	12.2	12.8
Reentrants	35.3	37.0	34.8	35.0	35.4	36.0	35.0	34.8	34.4
New entrants	11.5	11.5	11.9	8.2	9.0	8.6	8.7	7.1	8.5
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE									
Job losers and persons who completed temporary jobs	2.4	2.1	2.1	2.5	2.3	2.2	2.1	2.3	2.1
Job leavers8	.8	.8	.8	.8	.8	.8	.8	.8
Reentrants	2.0	1.9	1.7	1.9	1.9	1.8	1.7	1.7	1.6
New entrants8	.8	.8	.4	.5	.4	.4	.4	.4

¹ Not available.

the household survey.

NOTE: Beginning in January 1997, data reflect revised population controls used in

Table A-7. Range of alternative measures of labor underutilization

(Percent)

Measure	Not seasonally adjusted			Seasonally adjusted					
	July 1996	June 1997	July 1997	July 1996	Mar. 1997	Apr. 1997	May 1997	June 1997	July 1997
U-1 Persons unemployed 15 weeks or longer, as a percent of the civilian labor force	1.8	1.4	1.5	1.7	1.5	1.5	1.5	1.5	1.6
U-2 Job losers and persons who completed temporary jobs, as a percent of the civilian labor force	2.4	2.1	2.1	2.5	2.3	2.2	2.1	2.3	2.1
U-3 Total unemployed, as a percent of the civilian labor force (official unemployment rate)	5.8	5.2	5.0	5.4	5.2	4.9	4.8	5.0	4.8
U-4 Total unemployed plus discouraged workers, as a percent of the civilian labor force plus discouraged workers	5.9	5.4	5.3	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
U-5 Total unemployed, plus discouraged workers, plus all other marginally attached workers, as a percent of the civilian labor force plus all marginally attached workers	6.7	6.1	5.9	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)
U-6 Total unemployed, plus all marginally attached workers, plus total employed part time for economic reasons, as a percent of the civilian labor force plus all marginally attached workers	10.0	9.2	9.0	(¹)	(¹)	(¹)	(¹)	(¹)	(¹)

¹ Not available.

NOTE: This range of alternative measures of labor underutilization replaces the U1-U7 range published in table A-7 of this release prior to 1994. Marginally attached workers are persons who currently are neither working nor looking for work but indicate that they want and are available for a job and have looked for work sometime in the recent past. Discouraged workers, a subset of the marginally

attached, have given a job-market related reason for not currently looking for a job. Persons employed part time for economic reasons are those who want and are available for full-time work but have had to settle for a part-time schedule. For further information, see "BLS introduces new range of alternative unemployment measures," in the October 1995 issue of the Monthly Labor Review. Beginning in January 1997, data reflect revised population controls used in the household survey.

HOUSEHOLD DATA

HOUSEHOLD DATA

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

Age and sex	Number of unemployed persons (in thousands)			Unemployment rates ¹					
	July 1996	June 1997	July 1997	July 1996	Mar. 1997	Apr. 1997	May 1997	June 1997	July 1997
Total, 16 years and over	7,278	6,836	6,583	5.4	5.2	4.9	4.8	5.0	4.8
16 to 24 years	2,555	2,442	2,328	12.1	11.6	11.4	10.9	11.5	10.9
16 to 17 years	1,301	1,314	1,293	16.7	16.4	15.4	15.6	16.8	16.4
18 to 17 years	537	548	555	19.5	19.4	18.5	18.4	17.3	17.5
18 to 19 years	661	762	748	14.6	14.8	13.3	13.7	16.3	15.8
20 to 24 years	1,254	1,128	1,036	9.5	9.0	9.0	8.2	8.4	7.7
25 years and over	4,691	4,382	4,224	4.1	4.0	3.7	3.7	3.6	3.7
25 to 54 years	4,123	3,857	3,777	4.3	4.1	3.6	3.6	3.9	3.8
55 years and over	590	515	489	3.7	3.3	3.0	2.9	3.1	3.0
Men, 16 years and over	3,941	3,674	3,481	5.4	5.2	4.9	4.5	5.0	4.8
16 to 24 years	1,469	1,359	1,272	13.1	12.2	11.8	10.3	12.1	11.4
16 to 17 years	790	774	692	19.3	17.9	17.2	15.2	19.0	17.2
16 to 17 years	396	330	299	23.4	21.4	20.5	17.8	19.9	18.6
18 to 19 years	387	440	386	16.1	15.7	15.2	13.5	18.2	16.2
20 to 24 years	679	585	550	9.6	8.9	8.7	7.5	8.2	8.1
25 years and over	2,453	2,311	2,176	4.0	3.9	3.7	3.4	3.7	3.5
25 to 54 years	2,119	2,018	1,920	4.1	3.9	3.6	3.5	3.8	3.6
55 years and over	338	287	272	3.7	3.5	3.0	2.8	3.1	3.0
Women, 16 years and over	3,335	3,162	3,102	5.4	5.3	4.9	5.2	5.0	4.9
16 to 24 years	1,086	1,083	1,057	11.0	11.3	10.9	11.6	10.8	10.4
16 to 17 years	511	540	501	13.8	14.9	13.8	15.0	14.4	15.5
18 to 17 years	241	217	256	15.2	17.1	16.5	19.0	14.4	16.4
18 to 19 years	274	322	361	12.8	13.3	11.3	13.8	14.3	15.4
20 to 24 years	575	542	456	9.3	9.1	9.3	8.9	8.6	7.3
25 years and over	2,238	2,071	2,048	4.3	4.2	3.8	4.0	3.9	3.9
25 to 54 years	2,004	1,839	1,856	4.5	4.3	3.9	4.2	4.0	4.1
55 years and over	255	228	218	3.6	3.1	3.0	3.0	3.2	3.0

¹ Unemployment as a percent of the civilian labor force.

the household survey.

NOTE: Beginning in January 1997, data reflect revised population controls used in

Table A-9. Persons not in the labor force and multiple jobholders by sex, not seasonally adjusted

(Numbers in thousands)

Category	Total		Men		Women	
	July 1996	July 1997	July 1996	July 1997	July 1996	July 1997
NOT IN THE LABOR FORCE						
Total not in the labor force	64,369	64,835	22,429	23,059	41,940	41,777
Persons who currently want a job	5,196	4,777	2,037	1,655	3,159	2,922
Searched for work and available to work now ¹	1,490	1,281	661	584	830	697
Reason not currently looking:						
Discouragement over job prospects ²	423	311	224	170	199	140
Reasons other than discouragement ³	1,068	971	437	414	631	557
MULTIPLE JOBHOLDERS						
Total multiple jobholders ⁴	7,642	8,053	4,197	4,366	3,444	3,687
Percent of total employed	5.9	6.1	6.0	6.1	5.9	6.1
Primary job full time, secondary job part time	4,201	4,514	2,587	2,703	1,615	1,810
Primary and secondary jobs both part time	1,675	1,808	547	534	1,128	1,075
Primary and secondary jobs both full time	281	258	207	185	74	72
Hours vary on primary or secondary job	1,443	1,625	628	620	615	705

¹ Data refer to persons who have searched for work during the prior 12 months and were available to take a job during the reference week.² Includes those who think no work available, could not find work, lacks schooling or training, employer thinks too young or old, and other types of discrimination.³ Includes those who did not actively look for work in the prior 4 weeks for such reasons as child-care and transportation problems, as well as a small number for

which reason for nonparticipation was not determined.

⁴ Includes persons who work part time on their primary job and full time on their secondary job(s), not shown separately.

NOTE: Beginning in January 1997, data reflect revised population controls used in the household survey.

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-1. Employees on nonfarm payrolls by industry

(In thousands)

Industry	Not seasonally adjusted				Seasonally adjusted					
	July 1996	May 1997	June 1997P	July 1997P	July 1996	Mar. 1997	Apr. 1997	May 1997	June 1997P	July 1997P
Total	119,481	122,477	123,115	122,177	119,691	121,344	121,671	121,834	122,062	122,378
Total private	101,098	102,473	103,412	103,581	100,236	101,799	102,092	102,269	102,420	102,680
Goods-producing	24,716	24,722	25,024	25,009	24,433	24,670	24,667	24,702	24,720	24,716
Mining	585	574	582	585	574	572	573	578	578	574
Metal mining	55.4	54.2	55.5	55.5	54	54	54	54	54	54
Coal mining	97.5	92.6	93.1	91.9	97	93	93	93	93	91
Oil and gas extraction	321.2	316.7	321.1	325.1	317	317	319	321	321	321
Nonmetallic minerals, except fuels	110.5	110.2	111.9	112.2	106	106	107	108	108	108
Construction	5,731	5,671	5,832	5,950	5,417	5,609	5,599	5,626	5,624	5,627
General building contractors	1,315.0	1,295.5	1,336.9	1,385.3	1,299	1,297	1,300	1,302	1,302	1,307
Heavy construction, except building	841.2	805.8	816.6	829.1	773	777	767	767	765	762
Special trade contractors	3,575.0	3,570.0	3,674.3	3,755.2	3,388	3,534	3,535	3,551	3,557	3,558
Manufacturing	18,400	18,477	18,610	18,474	18,442	18,489	18,495	18,498	18,520	18,515
Production workers	12,665	12,770	12,864	12,723	12,735	12,771	12,774	12,790	12,790	12,797
Durable goods	10,716	10,667	10,953	10,861	10,786	10,848	10,856	10,884	10,890	10,910
Production workers	7,309	7,466	7,522	7,416	7,369	7,437	7,440	7,454	7,463	7,480
Lumber and wood products	791.4	796.2	808.5	807.0	781	797	799	800	798	796
Furniture and fixtures	494.1	507.8	510.7	502.4	503	507	508	508	509	512
Stone, clay, and glass products	548.2	546.1	550.8	550.0	540	542	541	540	539	542
Primary metal industries	700.3	707.2	710.8	700.4	706	709	710	708	709	708
Blast furnaces and basic steel products	241.3	234.7	236.5	235.1	(1)	(1)	(1)	(1)	(1)	(1)
Fabricated metal products	1,436.4	1,468.0	1,477.6	1,455.2	1,449	1,463	1,468	1,468	1,469	1,468
Industrial machinery and equipment	2,106.0	2,151.0	2,181.0	2,150.0	2,113	2,136	2,142	2,146	2,149	2,154
Computer and office equipment	384.4	377.9	381.2	383.7	362	372	376	378	379	381
Electronic and other electrical equipment	1,648.1	1,640.6	1,655.1	1,649.3	1,655	1,645	1,643	1,644	1,651	1,656
Electronic components and accessories	613.3	621.0	630.3	632.7	613	614	618	622	628	632
Transportation equipment	1,757.6	1,818.8	1,831.0	1,807.1	1,778	1,810	1,804	1,809	1,823	1,829
Motor vehicles and equipment	941.2	967.0	974.4	949.2	960	969	967	960	967	969
Aircraft and parts	456.1	497.8	503.7	506.6	456	491	495	498	505	509
Instruments and related products	853.3	854.3	856.1	858.4	854	853	855	854	857	859
Miscellaneous manufacturing	379.6	386.8	388.3	381.2	387	386	388	387	386	388
Nonurable goods	7,682	7,600	7,657	7,613	7,676	7,641	7,639	7,634	7,630	7,605
Production workers	5,356	5,302	5,342	5,307	5,366	5,334	5,334	5,336	5,327	5,317
Food and kindred products	1,717.3	1,660.7	1,690.3	1,717.4	1,694	1,696	1,699	1,693	1,693	1,685
Tobacco products	37.3	37.7	37.7	37.6	41	42	41	41	41	41
Textile mill products	618.7	610.6	612.3	601.1	623	612	609	609	606	605
Apparel and other textile products	845.9	822.7	823.6	796.6	863	827	822	818	817	813
Paper and allied products	681.0	675.0	680.4	676.8	677	677	677	677	675	673
Printing and publishing	1,535.5	1,542.3	1,550.5	1,547.0	1,537	1,535	1,541	1,546	1,551	1,548
Chemicals and allied products	1,035.8	1,027.4	1,032.3	1,029.2	1,031	1,026	1,029	1,030	1,026	1,024
Petroleum and coal products	145.0	140.1	141.0	142.1	142	140	140	139	138	139
Rubber and misc. plastics products	973.5	990.2	996.6	978.5	962	968	968	968	969	967
Leather and leather products	92.0	93.1	92.4	88.6	96	94	93	93	92	90
Service-producing	94,765	97,755	98,091	97,168	95,258	96,674	97,004	97,132	97,342	97,662
Transportation and public utilities	6,276	6,434	6,463	6,441	6,296	6,405	6,421	6,431	6,430	6,461
Transportation	4,039	4,194	4,211	4,183	4,073	4,164	4,179	4,187	4,190	4,218
Railroad transportation	231.5	228.0	226.7	227.4	230	226	226	226	226	226
Local and interurban passenger transit	384.9	475.9	457.9	396.8	446	455	460	456	457	461
Trucking and warehousing	1,672.2	1,677.3	1,699.8	1,714.0	1,659	1,671	1,676	1,687	1,687	1,699
Water transportation	194.0	161.2	163.6	169.7	173	175	177	176	177	179
Transportation by air	1,133.1	1,183.2	1,191.4	1,201.4	1,131	1,191	1,192	1,192	1,193	1,200
Pipelines, except natural gas	14.7	14.2	14.4	14.5	15	14	14	14	14	14
Transportation services	418.6	434.2	437.1	438.7	417	432	435	434	436	437
Communications and public utilities	2,237	2,240	2,252	2,256	2,223	2,241	2,242	2,244	2,240	2,245
Communications	1,348.9	1,368.3	1,375.0	1,382.9	1,341	1,364	1,369	1,372	1,371	1,377
Electric, gas, and sanitary services	890.1	871.5	876.5	875.5	862	877	873	872	868	868
Wholesale trade	6,522	6,641	6,680	6,705	6,481	6,611	6,622	6,630	6,634	6,663
Durable goods	3,620	3,915	3,944	3,959	3,606	3,889	3,900	3,909	3,918	3,935
Nonurable goods	2,690	2,726	2,736	2,746	2,675	2,722	2,722	2,721	2,716	2,728

See footnotes at end of table.

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 1996	May 1997	June 1997P	July 1997P	July 1996	Mar. 1997	Apr. 1997	May 1997	June 1997P	July 1997P
Total private	34.5	34.5	34.9	34.7	34.3	34.8	34.5	34.5	34.7	34.4
Goods-producing	40.8	41.4	41.5	40.9	41.0	41.4	41.4	41.4	41.2	41.1
Mining	44.8	45.8	45.8	44.6	45.0	45.9	45.3	46.0	45.4	44.8
Construction	39.8	39.7	39.6	40.0	38.7	38.9	38.9	39.4	38.8	38.9
Manufacturing	41.1	41.9	42.0	41.2	41.8	42.1	42.1	42.0	41.8	41.7
Overtime hours	4.3	4.7	4.7	4.5	4.5	4.9	4.9	4.8	4.7	4.6
Durable goods	41.7	42.8	42.8	41.8	42.7	42.9	43.0	42.8	42.6	42.5
Overtime hours	4.4	5.0	5.0	4.6	4.4	5.2	5.3	5.2	5.0	4.9
Lumber and wood products	40.7	41.3	41.5	40.6	41.0	41.0	41.2	41.0	41.0	40.9
Furniture and fixtures	39.3	39.8	39.9	39.4	39.7	40.3	40.1	40.4	39.9	39.9
Stone, clay, and glass products	43.5	43.7	43.6	43.3	43.2	43.1	43.0	43.4	42.9	43.1
Primary metal industries	43.6	44.7	44.8	43.5	44.0	44.8	45.1	44.8	44.7	44.0
Blast furnaces and basic steel products	44.4	44.7	44.6	43.7	44.3	44.8	45.2	44.7	44.5	43.7
Fabricated metal products	41.6	42.5	42.7	41.8	42.4	42.8	42.9	42.8	42.5	42.6
Industrial machinery and equipment	42.4	43.5	43.5	42.9	43.0	43.5	43.9	43.6	43.4	43.5
Electronic and other electrical equipment	40.6	41.7	41.9	40.8	41.3	42.1	42.3	42.0	41.9	41.6
Transportation equipment	42.7	44.7	44.5	42.2	44.0	45.0	44.6	44.5	44.1	43.5
Motor vehicles and equipment	43.4	45.5	45.2	41.7	45.2	45.7	45.3	45.2	44.7	43.5
Instruments and related products	41.0	41.7	42.1	41.2	41.6	42.0	41.9	41.9	42.0	41.7
Miscellaneous manufacturing	38.8	40.0	40.2	39.4	39.7	40.2	40.5	40.3	40.2	40.3
Nondurable goods	40.2	40.6	40.7	40.3	40.5	40.9	40.9	40.8	40.7	40.6
Overtime hours	4.1	4.1	4.2	4.3	4.1	4.4	4.4	4.3	4.2	4.3
Food and kindred products	40.9	41.1	40.9	41.1	40.8	41.3	41.1	41.4	41.0	41.1
Tobacco products	38.6	38.7	39.3	37.4	39.5	40.2	39.0	38.4	37.7	38.2
Textile mill products	40.2	41.2	41.7	40.6	40.9	41.2	41.7	41.4	41.2	41.3
Apparel and other textile products	36.8	37.2	37.6	36.5	37.1	37.5	37.5	37.1	37.4	36.8
Paper and allied products	43.2	43.4	43.4	43.2	43.3	43.8	43.9	43.9	43.4	43.4
Printing and publishing	38.0	38.1	38.0	38.0	38.2	38.6	38.5	38.3	38.3	38.3
Chemicals and allied products	42.9	43.1	43.2	42.6	43.2	43.3	43.1	43.3	43.2	42.9
Petroleum and coal products	44.3	42.4	42.9	42.3	(2)	(2)	(2)	(2)	(2)	(2)
Rubber and misc. plastics products	40.8	41.7	41.7	41.0	41.5	41.8	42.0	41.6	41.5	41.7
Leather and leather products	37.7	38.2	38.7	37.4	38.3	38.7	38.5	38.2	38.0	38.0
Service-producing	32.9	32.7	33.1	33.0	32.5	33.0	32.7	32.7	32.9	32.6
Transportation and public utilities	39.7	39.3	39.8	39.3	39.4	39.8	39.3	39.5	39.6	38.9
Wholesale trade	38.1	38.5	38.8	38.4	38.1	38.6	38.4	38.4	38.6	38.4
Retail trade	29.4	28.8	29.4	29.6	28.7	29.1	28.9	28.9	28.9	28.8
Finance, insurance, and real estate	35.6	35.9	36.6	35.9	(2)	(2)	(2)	(2)	(2)	(2)
Services	32.5	32.4	32.8	32.7	(2)	(2)	(2)	(2)	(2)	(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 because the seasonal component, which is small relative to the trend-cycle and irregular components, 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 1996	May 1997	June 1997P	July 1997P	July 1996	May 1997	June 1997P	July 1997P
Total private	\$11.73	\$12.17	\$12.16	\$12.14	\$405.88	\$419.87	\$424.38	\$421.26
Seasonally adjusted	11.81	12.19	12.23	12.23	405.08	420.56	424.38	420.71
Goods-producing	13.54	13.83	13.85	13.95	552.43	572.56	574.78	570.56
Mining	15.54	15.98	16.12	15.98	696.19	731.88	738.30	711.82
Construction	15.51	15.83	15.88	16.01	617.30	628.45	628.85	640.40
Manufacturing	12.79	13.09	13.09	13.14	525.87	548.47	549.78	541.37
Durable goods	13.35	13.64	13.65	13.65	556.70	583.79	584.22	570.57
Lumber and wood products	10.47	10.71	10.75	10.81	426.13	442.32	446.13	438.89
Furniture and fixtures	10.13	10.47	10.51	10.50	398.11	416.71	419.35	413.70
Stone, clay, and glass products	12.94	13.12	13.14	13.17	562.89	573.34	572.90	570.28
Primary metal industries	15.08	15.09	15.17	15.41	657.49	674.52	678.52	670.34
Glass furnaces and basic steel products	17.98	17.84	18.01	18.23	797.42	797.45	803.25	798.65
Fabricated metal products	12.51	12.78	12.79	12.74	520.42	543.15	546.13	532.53
Industrial machinery and equipment	13.55	13.92	13.95	14.00	574.52	605.52	606.83	600.60
Electronic and other electrical equipment	12.26	12.56	12.59	12.69	497.76	523.75	527.52	517.75
Transportation equipment	17.29	17.47	17.44	17.31	738.28	780.91	776.08	730.48
Motor vehicles and equipment	17.89	17.97	17.90	17.65	776.43	817.84	808.08	738.01
Instruments and related products	13.18	13.32	13.33	13.55	540.38	563.78	569.81	556.26
Miscellaneous manufacturing	10.37	10.52	10.49	10.52	402.36	420.80	421.70	414.49
Nondurable goods	12.00	12.27	12.26	12.40	482.40	498.16	498.98	496.72
Food and kindred products	11.25	11.48	11.44	11.53	460.13	471.83	487.90	473.88
Tobacco products	20.98	20.76	20.81	21.37	809.83	803.41	817.83	799.24
Textile mill products	9.68	9.94	9.97	10.00	389.14	406.53	415.75	406.00
Apparel and other textile products	7.95	8.23	8.25	8.21	292.56	306.16	311.85	299.87
Paper and allied products	14.79	14.98	15.00	15.21	638.93	650.13	651.00	657.07
Printing and publishing	12.63	12.93	12.90	13.07	479.84	492.83	490.20	496.88
Chemicals and allied products	16.16	16.47	16.52	16.62	693.26	709.86	713.66	708.01
Petroleum and coal products	19.02	19.88	19.93	19.99	842.59	847.15	855.00	845.58
Rubber and misc. plastics products	11.25	11.50	11.52	11.62	459.00	479.55	480.38	476.42
Leather and leather products	8.43	8.89	8.93	8.76	317.81	339.80	345.59	327.82
Service-producing	11.12	11.61	11.59	11.55	385.85	379.65	383.63	381.15
Transportation and public utilities	14.44	14.72	14.73	14.85	573.27	578.50	586.25	583.61
Wholesale trade	12.82	13.32	13.36	13.36	488.44	512.82	518.37	513.02
Retail trade	7.93	8.27	8.27	8.26	233.14	238.18	243.14	244.50
Finance, insurance, and real estate	12.69	13.18	13.18	13.12	451.76	473.16	482.39	471.01
Services	11.60	12.17	12.15	12.07	377.00	394.31	398.52	394.69

¹ See footnote 1, table B-2.

P = preliminary.

ESTABLISHMENT DATA

ESTABLISHMENT DATA

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

Industry	July 1996	Mar. 1997	Apr. 1997	May 1997	June 1997P	July 1997P	Percent change from: June 1997-July 1997
Total private:							
Current dollars	\$11.81	\$12.14	\$12.14	\$12.19	\$12.23	\$12.23	0.0
Constant (1982) dollars ²	7.42	7.49	7.49	7.52	7.54	N.A.	(3)
Goods-producing	13.49	13.79	13.80	13.85	13.88	13.88	.1
Mining	15.61	15.94	15.96	16.05	16.13	16.03	-.8
Construction	15.47	15.80	15.88	15.91	15.95	15.97	-.1
Manufacturing	12.80	13.07	13.07	13.11	13.11	13.14	.2
Excluding overtime ⁴	12.14	12.37	12.38	12.38	12.42	12.44	.2
Service-producing	11.25	11.59	11.58	11.63	11.69	11.68	-.1
Transportation and public utilities	14.45	14.73	14.76	14.80	14.80	14.85	.3
Wholesale trade	12.84	13.30	13.27	13.33	13.42	13.37	-.4
Retail trade	7.98	8.25	8.26	8.28	8.30	8.31	-.1
Finance, insurance, and real estate	12.80	13.12	13.00	13.18	13.24	13.24	.0
Services	11.78	12.16	12.16	12.20	12.26	12.26	.0

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 .3 percent from May 1997 to June 1997.

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

ESTABLISHMENT DATA

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers¹ on private nonfarm payrolls by industry (1992=100)

Industry	Not seasonally adjusted					Seasonally adjusted				
	July 1996	May 1997	June 1997P	July 1997P	July 1998	Mar. 1997	Apr. 1997	May 1997	June 1997P	July 1997P
Total private	138.5	140.2	143.0	142.5	136.1	140.2	139.6	140.0	140.6	139.9
Goods-producing	112.1	113.8	115.4	113.9	110.9	113.3	113.3	113.7	112.8	112.7
Mining	55.6	56.9	57.5	56.5	54.7	56.6	55.8	57.3	56.3	55.6
Construction	162.4	158.8	163.5	169.4	147.4	154.0	153.2	156.2	153.2	153.8
Manufacturing	104.9	107.9	108.9	105.6	106.8	108.3	108.5	108.3	107.8	107.6
Durable goods	106.3	111.5	112.5	108.1	108.9	111.3	111.7	111.4	111.0	110.8
Lumber and wood products	140.0	143.2	146.3	142.7	139.0	142.2	143.3	142.9	142.4	141.6
Furniture and fixtures	120.0	126.1	127.1	123.1	124.2	127.3	126.7	128.0	126.7	127.6
Stone, clay, and glass products	112.2	112.4	113.5	112.6	109.7	110.0	109.2	110.2	108.7	110.2
Primary metal industries	69.7	93.7	94.3	89.9	61.6	93.9	94.5	93.9	93.9	91.9
Blast furnaces and basic steel products	74.0	72.5	73.1	71.0	74.0	73.2	73.8	72.6	72.3	71.0
Fabricated metal products	111.2	116.9	118.4	113.5	114.7	116.7	118.0	117.1	117.1	117.1
Industrial machinery and equipment	102.3	108.7	108.9	106.2	104.5	107.7	109.2	108.5	108.1	108.4
Electronic and other electrical equipment	105.0	107.4	108.5	105.0	107.8	108.8	109.1	108.2	108.3	107.9
Transportation equipment	116.9	128.1	128.6	119.1	123.0	127.6	126.5	126.8	126.0	125.4
Motor vehicles and equipment	154.5	168.3	169.1	150.5	165.8	167.9	164.4	165.4	165.3	161.9
Instruments and related products	73.3	74.9	75.1	73.7	74.7	75.4	75.1	75.1	75.6	75.1
Miscellaneous manufacturing	97.4	102.3	103.3	98.5	101.6	102.5	103.3	103.2	102.5	103.2
Nondurable goods	103.0	102.9	104.0	102.2	103.9	104.3	104.2	104.0	103.5	103.1
Food and kindred products	117.4	113.4	115.3	118.2	114.7	117.4	117.0	117.3	116.1	115.7
Tobacco products	53.2	53.7	54.5	52.5	62.8	63.7	59.9	59.9	57.9	60.5
Textile mill products	87.1	88.6	89.9	85.9	89.4	89.8	89.6	88.8	88.2	88.2
Apparel and other textile products	74.5	73.6	74.8	69.4	77.2	74.3	73.9	73.0	73.3	71.9
Paper and allied products	108.7	109.1	109.7	109.1	108.5	110.2	110.4	110.4	109.0	109.0
Printing and publishing	122.6	124.1	124.0	123.5	123.7	124.3	124.7	125.1	125.2	125.1
Chemicals and allied products	100.4	99.6	100.5	99.0	101.0	100.3	99.9	100.5	99.9	99.4
Petroleum and coal products	79.7	75.0	76.4	76.1	77.1	76.1	73.6	75.0	74.2	73.6
Rubber and misc. plastics products	138.8	145.1	146.1	140.4	143.0	145.0	145.9	144.7	144.2	144.9
Leather and leather products	40.3	41.8	42.0	37.4	43.0	42.8	42.0	41.7	40.9	40.3
Service-producing	150.4	152.1	155.4	155.3	147.5	152.3	151.3	151.8	153.1	152.1
Transportation and public utilities	128.2	130.4	132.6	129.8	127.6	131.4	130.1	131.0	131.2	129.0
Wholesale trade	123.3	126.3	128.0	127.0	122.2	126.3	125.7	125.9	126.4	126.1
Retail trade	138.9	137.9	141.8	142.8	134.5	138.5	137.9	138.0	138.2	138.0
Finance, insurance, and real estate	126.0	127.2	131.6	130.0	124.0	129.0	126.7	127.3	130.6	127.9
Services	179.9	183.2	186.6	187.1	176.5	182.6	181.7	182.3	184.4	183.3

¹ See footnote 1, table B-2.

P = preliminary.

ESTABLISHMENT DATA

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:												
1993	59.7	61.0	49.6	57.6	61.5	56.2	55.5	56.3	62.2	59.6	61.7	59.3
1994	57.6	61.9	67.1	64.5	57.7	63.9	62.5	62.6	61.4	60.3	63.6	62.4
1995	62.4	60.1	54.5	55.6	48.0	53.9	54.1	59.8	57.0	54.9	57.2	57.9
1996	51.7	64.3	60.1	54.9	62.9	60.5	58.5	59.3	54.4	62.6	58.1	61.0
1997	59.3	59.1	59.0	61.1	57.4	P52.0	P58.7					
Over 3-month span:												
1993	64.7	60.8	60.5	58.6	62.9	63.6	59.6	62.9	64.7	66.9	64.3	63.6
1994	65.3	69.5	70.4	68.7	67.1	67.0	69.1	69.7	65.7	65.6	67.0	66.2
1995	65.4	62.5	58.7	53.2	54.6	52.4	57.9	59.6	59.7	59.0	57.0	56.3
1996	62.6	63.6	62.6	61.2	62.1	63.1	62.6	58.8	62.8	60.4	64.7	65.0
1997	64.8	62.2	64.2	65.6	P60.0	P59.6						
Over 6-month span:												
1993	62.9	64.6	64.3	64.3	62.2	65.6	66.0	64.9	66.3	66.7	69.4	69.2
1994	71.1	69.8	69.8	70.9	70.1	69.6	69.7	69.4	69.4	67.4	67.7	66.2
1995	66.9	61.4	58.1	56.6	58.1	58.1	56.7	59.8	60.3	59.1	61.5	63.3
1996	62.2	63.5	63.5	63.5	62.6	61.2	65.3	63.6	62.6	64.5	64.2	67.4
1997	67.6	66.6	P65.2	P64.2								
Over 12-month span:												
1993	64.9	63.9	64.0	65.4	67.0	67.6	67.8	67.0	70.2	69.5	69.2	70.1
1994	70.2	71.6	71.8	71.8	72.1	71.8	71.5	72.1	70.1	69.5	66.6	65.0
1995	63.8	62.4	62.6	63.3	61.7	61.9	58.7	62.2	62.2	61.1	62.2	63.3
1996	63.5	64.7	62.4	62.9	64.7	64.2	65.0	63.1	63.8	66.7	65.7	P65.3
1997	P66.9											
Manufacturing payrolls, 139 industries ¹												
Over 1-month span:												
1993	52.2	56.8	49.6	44.2	53.2	48.4	49.3	51.6	57.9	52.2	54.0	55.8
1994	55.6	59.0	60.4	58.6	52.9	59.6	53.4	56.1	52.9	55.0	58.6	59.3
1995	54.3	56.1	44.2	51.4	42.1	42.8	43.5	52.2	47.1	50.0	47.5	50.7
1996	45.7	54.3	47.8	39.2	52.2	52.2	44.2	52.9	44.2	50.7	49.6	52.2
1997	54.0	50.4	52.9	52.9	51.4	P50.4	P50.0					
Over 3-month span:												
1993	61.5	59.0	54.0	46.8	48.6	54.3	51.1	59.3	57.2	59.4	54.7	58.3
1994	61.9	64.7	65.5	58.7	57.6	60.1	62.2	57.9	55.0	55.4	60.1	59.4
1995	59.7	50.4	47.5	40.3	42.4	36.3	38.5	43.9	49.3	46.4	45.3	43.9
1996	47.5	47.8	42.1	38.5	43.2	45.0	48.9	43.2	50.4	46.4	52.5	52.5
1997	53.2	51.4	50.7	52.5	P50.0	P48.6						
Over 6-month span:												
1993	55.8	58.6	58.6	55.8	51.8	57.2	59.7	57.2	57.6	58.3	62.6	60.8
1994	62.2	62.2	62.6	63.3	59.4	56.5	56.5	56.6	58.6	55.0	58.3	55.0
1995	55.8	48.6	43.9	38.8	39.2	39.6	38.8	39.6	43.9	45.0	44.2	44.6
1996	41.4	41.7	41.0	38.1	39.6	40.6	47.5	46.8	45.3	50.4	48.2	53.2
1997	53.2	53.2	P51.8	P47.8								
Over 12-month span:												
1993	56.8	57.9	55.8	58.6	57.2	57.6	58.6	59.0	61.2	59.7	60.1	57.6
1994	57.9	58.6	60.8	60.8	60.8	63.3	59.4	60.1	57.2	56.5	50.4	49.6
1995	48.0	44.2	46.0	47.8	41.0	41.7	38.5	38.8	38.3	37.4	38.1	39.9
1996	39.6	42.8	39.2	39.6	42.4	40.3	43.5	40.3	43.5	46.8	46.4	P47.5
1997	P51.8											

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.



Center for National Policy

FOR IMMEDIATE RELEASE
JULY 28, 1997

CONTACT: AMY GALGON
202/682-1800

Economic Boom Modestly Boosting Wages But Workers' Health and Pension Benefits Still Eroding

Job Quality Index Shows Changing Job Mix Leaves Workers Less Well Off on Average Than in 1980s

WASHINGTON, DC-- Although tomorrow's quarterly Employment Cost Index will show U.S. workers are beginning to enjoy modest wage increases, adjusted for inflation, average wages have remained flat throughout this expansion, while fewer and fewer jobs are providing health and pension coverage, according to the Center for National Policy's *Job Quality Index (JQI)*.

The Center's *JQI*, developed by Harvard labor economist James Medoff, tracks the economy-wide impact on compensation of monthly changes in employment by occupation and industry. The ECI, released quarterly by the federal Bureau of Labor Statistics, measures changes in the aggregate cost of labor compensation by assuming that the job mix by occupation and industry has not changed since the 1990 census. In contrast, *JQI* measures how the changing distribution of jobs across the economy impacts the quality of compensation for workers on average.

The Center's *JQI* data show that although the average U.S. job pays just about as well as in 1985, adjusted for inflation, the proportion of today's jobs providing workers with health insurance or retirement benefits is shrinking. Based on an index set at 100 in 1985, real wages have bounced back from the 1990-91 recession, to 99.59. But health and pension benefits have continued to erode, with health and pension coverage rates falling by 2.3 percent (to 97.68) and by 3.5 percent (to 96.44), respectively. (See graphs and data on page two.)

"These data show the economy is creating millions of new jobs that pay the same, on average, as the old ones. However, the new ones are less likely to offer either health or pension benefits," said Medoff. "What we are seeing is the continued replacement of unionized manufacturing jobs with non-union service sector jobs which are less likely to offer good fringe benefits."

"The social implications of these changes are quite profound," Medoff said. "As these job shifts continue, the bottom half of the workforce will be less and less likely to have the economic security of health insurance or pension coverage for retirement."

"One factor explaining the coincidence of low inflation and low unemployment is that the cost of employee benefits has risen less than inflation over the past two years, offsetting the modest wage increases. The withering away of fringe benefit coverage, along with rising productivity growth, helps explain why employers are working on a record sixth straight year of double-digit profit growth," Medoff added.

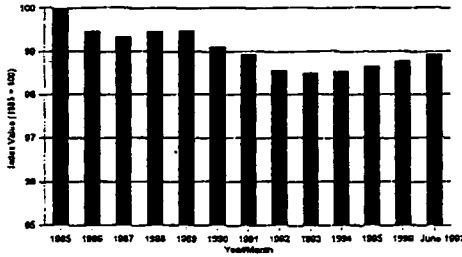
(more)

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Center for National Policy - Job Quality Index

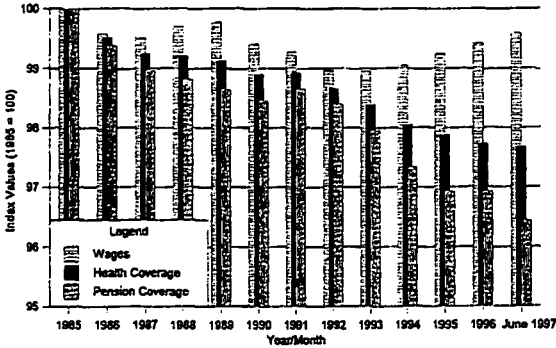
JQI: Trends in Total Compensation

Due to Changes in Job Mix (1985 - 1997)



JQI: Components of Compensation

Due to Changes in Job Mix (1985 - 1997)



JQI: Index Values for Components of Compensation and Total Employment

<u>Period Ending</u>	<u>Total Comp.</u>	<u>Ave. Wage</u>	<u>Ave. Hlth-Ins</u>	<u>Ave. Pension</u>	<u>Total Jobs</u>
1985	100.00	100.00	100.00	100.00	100.00
1990	99.11	99.41	98.90	98.46	112.34
1995	98.67	99.25	97.87	96.92	120.34
1996	98.79	99.43	97.73	96.62	122.72
January 1997	99.02	99.69	97.76	96.58	124.15
February	99.15	99.82	97.82	96.65	124.41
March	99.14	99.81	97.79	96.60	124.60
April	99.02	99.68	97.72	96.49	124.94
May	98.83	99.47	97.60	96.33	125.11
June	98.94	99.59	97.68	96.44	125.33

###

SEP 4 1997

Honorable James Saxton
Chairman, Joint Economic Committee
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

At the August 1 hearing of the Joint Economic Committee, you asked for information on the percentage growth rate of average hourly earnings in recent years.

I have enclosed a table showing the figures for 1988 through 1996 as well as the annualized rate for the first seven months of 1997. As shown in the table, the annualized rate for December 1996 through July 1997 (2.9 percent) is below the over-the-year change for the December 1995-December 1996 period (3.9 percent), but in line with the over-the-year changes for the prior two years (December 1994-December 1995, 2.9 percent; December 1993-December 1994, 2.7 percent). I would caution, however, that even the over-the-year changes in this data series vary depending on the specific months chosen for comparison.

I hope you find this information useful. If I can be of further assistance to you, please let me know. Philip Rones, Assistant Commissioner for Current Employment Analysis, on 202-606-6378, would be happy to answer any followup questions for your staff concerning these data.

Sincerely yours,

KATHARINE G. ABRAHAM
Commissioner

Enclosure

**AVERAGE HOURLY EARNINGS OF PRODUCTION OR
NONSUPERVISORY WORKERS ON PRIVATE
NONFARM PAYROLLS, DECEMBER 1988-96 AND JULY 1997**

	Average hourly earnings	Percent change from previous year
December 1988	\$9.44	3.5
December 1989	9.81	3.9
December 1990	10.15	3.5
December 1991	10.45	3.0
December 1992	10.67	2.1
December 1993	10.95	2.6
December 1994	11.25	2.7
December 1995	11.58	2.9
December 1996	12.03	3.9
July 1997	12.23	2.9 ¹

SOURCE: U. S. Bureau of Labor Statistics, Current Employment Statistics survey.

¹ Annualized change for 1997 based on data for December 1996 to July 1997.

U. S. Department of Labor

Commissioner for
Bureau of Labor Statistics
Washington, D. C. 20212



SEP 4 1997

Honorable Jeff Bingaman
United States Senate
Washington, D.C. 20510

Dear Senator Bingaman:

At the August 1 hearing of the Joint Economic Committee, you requested information about family income and other characteristics of persons of central working age (25 to 64 years) who are not in the labor force. You also requested information on employee benefits. I am writing in response to your questions.

According to data from the March 1996 annual demographic supplement to the Current Population Survey (CPS), in 1995, 23.1 million people between the ages of 25 and 64 could be classified as out of the labor force for the entire year—that is, they neither worked nor looked for work at any time during the year (see the enclosed table). (These data differ from our monthly figures in that they reflect labor force activity during an entire calendar year rather than a single month or the average for 12 months combined.) Of those not in the labor force, 16.5 million, or about 71 percent, were women, 9.6 million of whom gave "taking care of home or family" as the main reason they were not in the labor force. Another 3.5 million were ill or disabled, and the remainder were in school, retired, or gave other reasons for their non-work status.

Regarding their economic well-being, in general, women who are not in the labor force do not come from "upper income" families. The average family income in 1995 for women 25 to 64 years old who were not in the labor force was about \$41,000, considerably below the average for all families, or for those in which two adults work. There were notable income differences depending on the reason for being out of the labor force. Women who said they were taking care of home or family had an average income of about \$49,000, while the income of those who said they were ill or disabled was just \$23,000.

There also were 6.6 million men age 25 to 64 who reported no labor force activity in 1995. Unlike the women, a majority of the inactive men, 3.5 million, gave illness or disability as the reason they were not in the labor force. At \$27,000, the family income of nonworking men was considerably lower, on average, than that of nonworking women.

Honorable Jeff Bingaman-2

SEP 4 1997

In response to your questions on employee benefits, my staff has tabulated some estimates from the April 1993 Current Population Survey supplement on employee benefits, which was sponsored by the Labor Department's Pension and Welfare Benefits Administration. As I mentioned during the August 1 hearing, the April 1993 data are the most recent available from the CPS. According to our estimates for the nation as a whole, 44 percent of wage and salary workers (excluding all self-employed persons) participated in an employer-sponsored retirement plan in April 1993. Among full-time wage and salary workers (those who worked 35 hours or more per week), 51 percent participated. In your home State of New Mexico, 31 percent of all wage and salary workers participated in an employer-sponsored retirement plan, as did 37 percent of full-time workers. To provide you with a more thorough analysis of retirement plan coverage in the United States, I have enclosed a copy of the 1997 Report on the American Workforce. Chapter 3 of this Report uses data from several sources to examine developments in retirement coverage.

The April 1993 CPS also provided information on employer-provided health coverage. Nationally in April 1993, 58 percent of wage and salary workers participated in an employer-sponsored health plan, and among full-time wage and salary workers, 68 percent participated. In New Mexico, the overall coverage rate was 45 percent, and the coverage rate for full-time workers was 56 percent. I want to emphasize that these percentages refer only to employer-provided health coverage and do not include coverage from privately purchased plans, Medicare, Medicaid, military or veterans' benefits, or the employer-sponsored plans of spouses or other family members. A more comprehensive measure of health coverage comes from a September 1996 report from the Bureau of the Census. This report, which I have enclosed, examines data from the March 1996 annual demographic supplement to the CPS. It shows that 40.6 million Americans, or 15.4 percent of the population, lacked health insurance coverage of any kind for the entire 1995 calendar year. The comparable figure for New Mexico was 25.6 percent of the population.

In addition to the data that are available from the employee benefits supplement to the household survey, the Bureau of Labor Statistics collects data from establishments on the benefits they provide their workers. As I mentioned in my August 1 testimony, the Employee Benefits Survey (EBS), along with several of our other major establishment-based compensation surveys, is in the midst of a long-term improvement process. Currently, the EBS obtains benefits information in odd-numbered years from medium and large private establishments (those with 100 or more workers). In even-numbered years, two surveys are conducted, one

Honorable Jeff Bingaman-3

SEP 4 1997

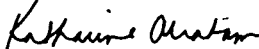
of small private establishments (fewer than 100 workers) and the other of State and local governments. For each of the three establishment groups that we examine, data are compiled on the incidence and provisions of all types of benefit plans.

The EBS soon will be combined with our Occupational Compensation Survey, Employment Cost Index, and Employer Costs for Employee Compensation program to form a new National Compensation Survey (NCS). In the NCS, data on wage rates will be linked with data on employer costs for benefit plans, as well as the incidence and provisions of those plans. The NCS also will develop a capacity for "quick response" surveys of employee compensation and emerging establishment practices.

The last of the old-style EBS is the 1997 survey of medium and large private establishments. In 1998, no regular survey of employee benefit plan incidence and provisions will be conducted. Instead, we will conduct test surveys of new or revised data collection techniques and data elements. In 1999, we will conduct an economy-wide survey (excluding agriculture and the Federal government) of benefit plan incidence and key provisions. If resources allow, we also will study more detailed benefit plan characteristics, most likely for health insurance. Key plan provisions are the major defining characteristics of a plan, such as plan type (HMO, PPO, fee-for-service, and so forth) or amount of employee contribution. The extent of key plan provisions studied depends upon resource availability. Under the new NCS, detailed plan provisions will be studied topic by topic over a 2-year cycle; health care will be studied one year, and retirement, disability protection, life insurance, and paid leave plans the other year.

I hope this information is helpful to you. If I can provide further assistance to you, please let me know. Philip Rones, Assistant Commissioner for Current Employment Analysis, would be happy to answer any follow-up questions for your staff concerning data from the Current Population Survey. He can be reached on 606-6378. Kimberly Zieschang, Associate Commissioner for Compensation and Working Conditions, may be contacted regarding the Employee Benefits Survey and plans for the new National Compensation Survey. His telephone number is 606-6300.

Sincerely yours,



KATHARINE G. ABRAHAM
Commissioner

Enclosures

Persons 25 to 64 years of age in March 1996 who neither worked nor looked for work in not working, family income (in 1995), and sex

all of 1995, by main reason for

Both sexes

	Total (000's)	Family income percent distribution				Average total family income in 1995
		Under \$20,000	\$20,000 to \$39,999	\$40,000 to \$59,999	\$60,000 or more	
Main reason didn't work, persons who neither worked nor looked for work						
Total.....	23,100	43.0	25.9	14.7	16.4	\$36,996
Ill or disabled.....	6,998	59.2	23.3	9.9	7.6	23,501
Retired.....	4,090	33.8	32.9	16.3	17.0	38,751
Take care of home or family.....	9,924	32.3	25.9	18.3	23.5	47,819
Going to school.....	1,097	49.3	25.1	12.0	13.6	30,485
Could not find work.....	311	71.2	14.9	7.0	6.8	17,990
Other.....	679	63.4	17.2	9.4	10.0	26,545

Source: U.S. Bureau of Labor Statistics, Current Population Survey, March 1996

Persons 25 to 64 years of age in March 1996 who neither worked nor looked for work in
not working, family income (in 1995), and sex-Continued

all of 1995, by main reason for

Men

	Total (000's)	Family income percent distribution				Average total family income in 1995
		Under \$20,000	\$20,000 to \$39,999	\$40,000 to \$59,999	\$60,000 or more	
Main reason didn't work, persons who neither worked nor looked for work						
Total.....	6,605	52.0	26.6	11.6	9.8	\$26,811
Ill or disabled.....	3,520	57.0	26.1	9.7	7.2	23,782
Retired.....	1,791	31.6	33.8	17.4	17.2	37,975
Take care of home or family.....	322	68.6	14.3	9.8	7.3	20,421
Going to school.....	387	53.1	27.6	9.1	10.2	25,604
Could not find work.....	215	75.9	12.1	6.9	5.1	15,210
Other.....	370	74.3	14.6	8.1	3.0	15,141

Source: U.S. Bureau of Labor Statistics, Current Population Survey, March 1996

Persons 25 to 64 years of age in March 1996 who neither worked nor looked for work in all of 1995, by main reason for not working, family income (in 1995), and sex-Continued

Women

	Total (000's)	Family income percent distribution				Average total family income in 1995
		Under \$20,000	\$20,000 to \$39,999	\$40,000 to \$59,999	\$60,000 or more	
Main reason didn't work, persons who neither worked nor looked for work						
Total.....	16,495	39.3	25.6	15.9	19.1	\$41,074
Ill or disabled.....	3,479	61.4	20.5	10.0	8.0	23,210
Retired.....	2,299	35.6	32.1	15.5	16.8	39,355
Take care of home or family.....	9,603	31.1	26.3	18.6	24.0	48,737
Going to school.....	709	47.2	23.8	13.6	15.5	33,150
Could not find work.....	96	60.9	21.0	7.4	10.6	24,190
Other.....	309	50.3	20.4	10.9	18.4	40,194

Source: U.S. Bureau of Labor Statistics, Current Population Survey, March 1996

Current Population Reports

Household Economic Studies

Health Insurance Coverage: 1995

By Robert L. Bennefield

CENSUS BUREAU

1996, 1995
September 1996

Who Goes Without Health Insurance?

An estimated 40.6 million people in the United States (15.4 percent) were without health insurance coverage during the entire 1995 calendar year; statistically, unchanged from the previous year.

Employment Is the leading source of health insurance coverage.

Most people (70.3 percent) were covered by a private insurance plan for some or all of 1995. A private plan is one that was offered through employment (either one's own or a relative's) or privately purchased. Most private insurance was obtained through a current or former employer or union (employment-based) (see figure 1).

The remaining insured people had government coverage. This includes Medicare (13.1 percent), Medicaid (12.1 percent), and military health care (3.5 percent). Many people carry coverage from more than one plan.

The poor are more likely not to have coverage.

Despite the existence of programs such as Medicaid and Medicare, 30.2 percent of the poor (11.0 million) had no health insurance of any kind during 1995. This percentage—which was double the rate for all people—was statistically unchanged from the previous year. Poor people comprised 27.1 percent of all uninsured people.

Medicaid was the most widespread type of coverage

among the poor. About 46.4 percent of all poor people were covered by Medicaid at some time during the year.

Some are more likely than others to lack coverage.

There were several key factors that influenced the chances of lacking health insurance coverage (see figure 2). They included—

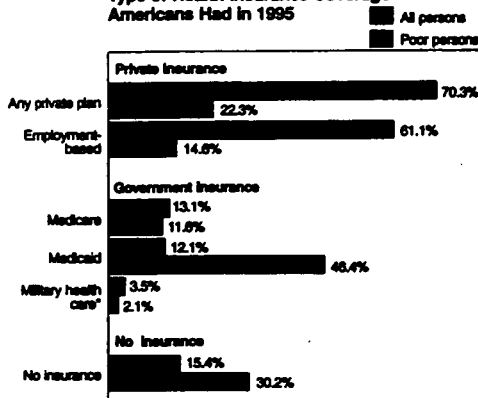
- Age – Young adults aged 18 to 24 were more likely than other age groups to lack coverage during all of 1995 (28.2 percent). Because of Medicare, the elderly were at the other extreme (only 0.9 percent lacked coverage). Among

the poor, adults aged 18 to 64 had much higher noncoverage rates than either children or the elderly.

- Race and Hispanic origin – Among poor and all people alike, those of Hispanic origin had the highest chance of lacking coverage throughout 1995.

- Educational attainment – Among all adults, the likelihood of being uninsured declined as the level of education rose. Among those who were poor in 1995, however, there were no significant differences across the education groups.

Figure 1.
Type of Health Insurance Coverage
Americans Had in 1995



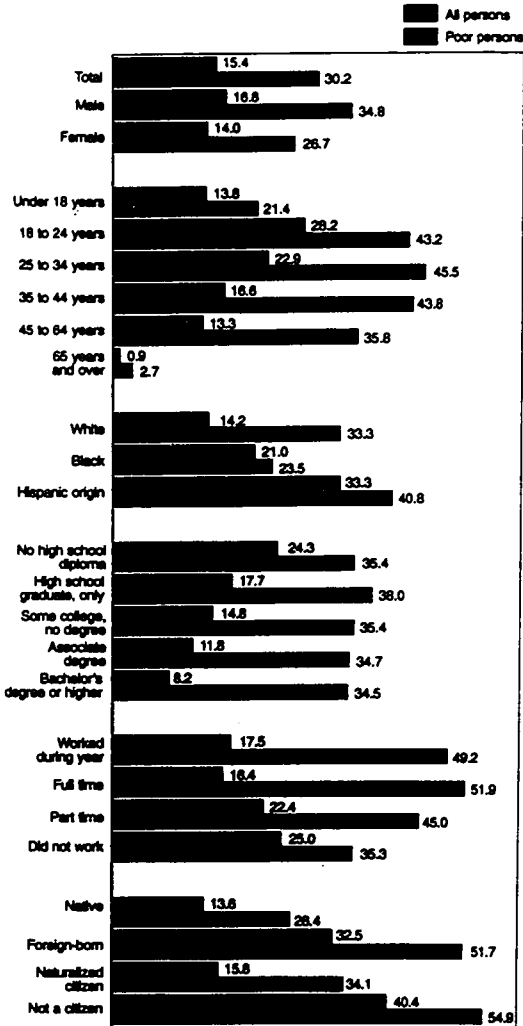
*Military health care includes CHAMPUS (Comprehensive Health and Medical Plan for Uniformed Services), CHAMPVA (Civilian Health and Medical Program of the Department of Veterans Affairs), Veterans and military health care.

Note: The percentages by type of coverage are not mutually exclusive; in other words, persons can be covered by more than one type of health insurance during the year.

Source: U.S. Bureau of the Census, March 1996 Current Population Survey.

Figure 2.
Who Lacked Coverage?

Percent of all persons (and poor persons) never covered by health insurance during the year, by selected characteristics.



Notes: Persons of Hispanic origin may be of any race.
Source: U.S. Bureau of the Census, March 1996 Current Population Survey.

■ **Work experience** – Of those 18-64 years old who worked, part-time workers had the highest noncoverage rate, 22.4 percent. The rate for full-time workers was 16.4 percent.¹ Among the general population 18-64, workers (full- and part-time) were less likely to be uninsured than nonworkers, but among the poor, workers had a higher uninsured rate than nonworkers.

■ **Foreign-born** – In 1995, a higher proportion of the foreign-born population in the United States was without health insurance (32.5 percent), compared with natives² (13.6 percent). Of the foreign-born, noncitizens had a noncoverage rate more than twice as high as naturalized citizens; 40.4 percent versus 15.8 percent. Poor immigrants were even worse off; over one-half of them (51.7 percent) were without health insurance.

Income and firm size play important roles.

Noncoverage rates fall as household income rises. In 1995, the percent of persons without health insurance ranged from 6.7 percent (among those in households with incomes of \$75,000 or more) to 23.9 percent (among those in households with incomes under \$25,000), as shown in figure 3.

Of the 140.3 million workers, 53.2 percent had employment-based health insurance policies in their own name. The propor-

¹ Workers were classified as part-time if they worked less than 35 hours per week in the majority of the weeks they worked in 1995.

² 'Natives' are persons born in the United States, Puerto Rico, or an outlying area of the U.S., such as Guam or the U.S. Virgin Islands, and persons who were born in a foreign country but who had at least one parent who was a U.S. citizen. All other persons born outside the U.S. are 'foreign-born'.

tion varied by size of employer, with workers employed by small firms (less than 25 people) being least likely to have employment-based health insurance policies in their own name (see figure 4). These estimates do not reflect the fact that some workers are covered by employment-based coverage through another family member.

States show differences in noncoverage rates.

Percentages of people without health insurance coverage ranged from 7.3 percent in Wisconsin to 25.6 percent in New Mexico, as shown in table 1. However, we advise against using these estimates to rank the States. Results from different samples could easily show different estimates and rankings because of small sample sizes. For example, the high noncoverage rate for New Mexico was not statistically different from that in Texas (24.5 percent), while the rates for Minnesota, North Dakota, Nebraska, South Dakota, Connecticut, and Hawaii were not statistically different from Wisconsin.

Between 1994 and 1995, noncoverage rates changed by statistically significant amounts in three states: The noncoverage rate fell in Alabama and rose in Tennessee and Vermont.

This report presents data on the health insurance coverage of people in the United States during the 1995 calendar year. The data, which are shown by selected demographic and socioeconomic characteristics, as well as by State, were collected by the March 1996 Supplement to the Current Population Survey (CPS).

Figure 3.
As Income Rises, Chances of Having No Insurance Generally Decline

Percent of all persons never covered by health insurance during the year, by household income: 1995

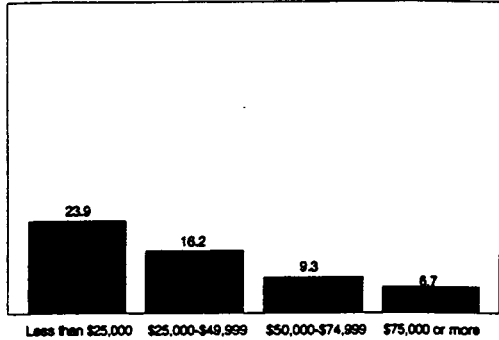
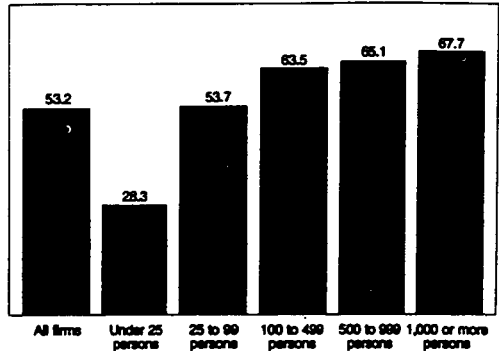


Figure 4.
Workers in Large Firms Are the Most Likely to Have Employment-Based Insurance

Percent of workers (aged 15 and over) with employment-based health insurance policies in their own name, by size of firm they worked for: 1995



Source: U.S. Bureau of the Census, March 1996 Current Population Survey.

Accuracy of the Estimates

All statistics are subject to sampling error, as well as nonsampling error such as survey design flaws, respondent classification and reporting errors, data processing mistakes and undercoverage.

The Census Bureau has taken steps to minimize errors in the form of quality control and edit procedures to reduce errors made by respondents, coders, and interviewers. Ratio estimation to independent age-race-sex-Hispanic population

controls partially corrects for bias attributable to survey undercoverage. However, biases exist in the estimates when missed people have characteristics different from those of interviewed people in the same age-race-sex-Hispanic group.

Analytical statements in this report have been tested and meet statistical standards. However, because of methodological differences, use caution when comparing these data with data from other sources. Contact Andrew Zbikowski, Demographic Statistical Methods Division, at 301-457-4220 or on the Internet at azbikows@census.gov for information on (1) the source of the data, (2) the accuracy of the estimates, (3) the use of standard errors, and (4) the computation of standard errors.

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Table 1.
Percent of Persons Without Health Insurance Coverage Throughout the Year, by State: 1994 and 1995

State	1995		1994		Average 1994-1995		Percent change
	Percent	Stand-ard error	Percent	Stand-ard error	Percent	Stand-ard error	
Alabama	13.5	1.1	19.2	1.4	16.4	1.0	-5.7
Alaska	12.5	1.1	13.3	1.1	12.9	0.9	-0.6
Arizona	20.4	1.3	20.2	1.4	20.3	1.1	0.2
Arkansas	17.9	1.3	17.4	1.4	17.7	1.1	0.3
California	20.6	0.6	21.1	0.6	20.9	0.5	-0.3
Colorado	14.8	1.2	12.4	1.2	13.6	1.0	2.4
Connecticut	8.8	1.1	10.6	1.3	9.6	1.0	-1.6
Delaware	15.7	1.4	13.5	1.4	14.6	1.1	2.2
D.C.	17.3	1.6	18.4	1.6	18.9	1.2	0.9
Florida	18.3	0.7	17.2	0.7	17.9	0.6	1.1
Georgia	17.9	1.2	16.2	1.3	17.1	1.0	1.7
Hawaii	8.9	1.1	9.2	1.1	9.1	0.9	-0.3
Idaho	14.0	1.2	14.0	1.1	14.0	0.9	0
Illinois	11.0	0.6	11.4	0.6	11.2	0.5	-0.4
Indiana	12.6	1.1	10.5	1.1	11.6	0.9	2.1
Iowa	11.3	1.1	9.7	1.1	10.5	0.9	1.8
Kansas	12.4	1.2	12.9	1.2	12.7	1.0	-0.3
Kentucky	14.6	1.2	15.2	1.3	14.9	1.0	-0.8
Louisiana	20.3	1.3	19.2	1.3	19.9	1.1	1.3
Maine	13.5	1.3	13.1	1.3	13.3	1.0	0.4
Maryland	15.3	1.3	12.8	1.3	14.0	1.0	2.7
Massachusetts	11.1	0.6	12.5	0.7	11.8	0.6	-1.4
Michigan	9.7	0.6	10.8	0.6	10.3	0.5	-1.1
Minnesota	6.0	0.9	9.5	1.1	6.5	0.8	-1.5
Mississippi	19.7	1.3	17.8	1.3	18.8	1.0	1.9
Missouri	14.6	1.3	12.2	1.3	13.4	1.0	2.4
Montana	12.7	1.1	13.6	1.2	13.2	0.9	-0.9
Nebraska	9.0	1.0	10.7	1.1	9.9	0.8	-1.7
Nevada	18.7	1.4	15.7	1.2	17.2	1.0	3
New Hampshire	10.0	1.2	11.9	1.4	11.0	1.0	-1.9
New Jersey	14.2	0.8	13.0	0.8	13.6	0.6	1.2
New Mexico	25.6	1.4	23.1	1.4	24.4	1.1	2.5
New York	15.2	0.5	16.0	0.5	15.6	0.4	-0.8
North Carolina	14.3	0.9	13.3	0.9	13.8	0.6	1
North Dakota	8.5	1.0	8.4	1.0	8.4	0.8	-0.1
Ohio	11.9	0.7	11.0	0.6	11.5	0.5	0.9
Oklahoma	19.2	1.3	17.9	1.4	18.5	1.1	1.4
Oregon	12.5	1.2	13.1	1.2	12.8	1.0	-0.6
Pennsylvania	9.9	0.8	10.6	0.8	10.3	0.5	-0.7
Rhode Island	12.9	1.3	11.5	1.3	12.2	1.0	1.4
South Carolina	14.6	1.3	14.2	1.1	14.4	1.0	0.4
South Dakota	9.4	1.0	10.0	1.0	9.7	0.8	-0.6
Tennessee	14.6	1.2	10.2	1.0	12.5	0.9	4.8
Texas	24.5	0.6	24.2	0.6	24.4	0.6	0.3
Utah	11.7	1.0	11.5	1.1	11.6	0.8	0.2
Vermont	13.2	1.3	8.6	1.1	10.9	1.0	4.6
Virginia	13.5	1.1	12.0	1.0	12.8	0.8	1.5
Washington	12.4	1.2	12.7	1.2	12.6	1.0	-0.2
West Virginia	15.3	1.2	16.2	1.4	15.8	1.0	-0.9
Wisconsin	7.3	0.9	8.9	1.0	8.1	0.8	-1.8
Wyoming	15.9	1.3	15.4	1.5	15.7	1.1	0.5

*Statistically significant change at the 90-percent confidence level.

Source: U.S. Bureau of the Census, Current Population Survey.

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