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EMPLOYMENT-UNEMPLOYMENT

HEARINGS

BEFORE THE

JOINT ECONOMIC COMMITTEE
CONGRESS OF THE UNITED STATES

NINETY-FOURTH CONGRESS

SECOND SESSION

PART 7

MARCH 5, APRIL 2, MAY 7, JUNE 4, AND JULY 2, 1976

[Hearing day of February 6, 1976, of this series, may be found in part 2 of the hearings on "The 1976 Economic Report of the President"]

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EMPLOYMENT-UNEMPLOYMENT

FRIDAY, MARCH 5, 1976

Congress of the United States,
Joint Economic Committee,
Washington, D.C.

The committee met, pursuant to notice, at 12 noon, in room 318, Russell Senate Office Building, Hon. Hubert H. Humphrey (chairman of the committee) presiding.

Present: Senators Humphrey, Proxmire, and Javits.

Also present: John R. Stark, executive director; William A. Cox, Lucy A. Falcone, Jerry J. Jasinowski, L. Douglas Lee, Loughlin F. McHugh, and Courtenay M. Slater, professional staff members; Michael J. Runde, administrative assistant; George D. Krumbhaar, Jr., minority counsel; and M. Catherine Miller, minority economist.

Opening Statement of Chairman Humphrey

Chairman Humphrey. Mr. Commissioner, I want to thank you for coming here once again. I know that today you are going to give us the most up-to-date employment and unemployment data for February. The unemployment rate, which was released today, is 7.6 percent for February, and is another welcome sign, if it does in fact, represent a sharp improvement from the level of unemployment that prevailed at the end of 1975. I think you told a number of groups lately that the unemployment rate in January, if adjusted under old seasonal adjustment methods, would have been 8 percent rather than the 7.8 reported by the BLS. Is that correct?

Mr. Shiskin. Yes; it is.

Chairman Humphrey. I understand the unemployment rate in February would also have been somewhat higher had the older seasonal factors been used. While all signs of economic activity point to a recovery in the first quarter of 1976, it may well be that the new seasonal adjustment factors have actually overstated the improvement in the labor market since the beginning of this year and that the true unemployment rate is closer to 8 percent than the BLS figures suggest. I say this because I want your commentary on it. I think we need to fill in the record on it.

I and members of the committee have been concerned for some months about those workers who are exhausting their unemployment compensation benefits and their extended benefits, but who are still unable to find a job. Until recently, we had no information on these people. But in testimony before the Joint Economic Committee yesterday, Mr. Charles Killingsworth released data collected by the Department of Labor which shows that 1.1 million workers have already exhausted their benefits under unemployment compensation and an additional 1.8 million workers will exhaust their benefits in 1976. Mr. Killingsworth suggested that, if anything, these data are conservative estimates of the true magnitude of the problem. What is really more telling about the data presented to us yesterday is that these exhaustees had a very strong attachment to the labor force. In other words, they had good work histories. Many of them have not become eligible for food stamps or welfare, even though many of them have not been able to find other jobs.

For example, they had some savings or they had a home or some tangible assets which precluded them from receiving food stamps or welfare.

Let me quote to you some facts about these people who have literally fallen between the cracks of unemployment compensation and other means of income support. There were 90 percent who had not received any unemployment benefits in the 3 years immediately prior to losing their last job. At 4 months after exhaustion of benefits, only one-fourth of the exhaustees had been able to find another job. Those that became reemployed had lower take-home pay than in their last jobs, because their working hours were shorter; 46 percent of the families of the exhaustees dropped below the poverty line when benefits ran out, yet only 7 percent of the whites and 24 percent of the blacks among exhaustees were receiving food stamps and only 2 percent of the whites and 9 percent of the blacks were on welfare rolls. Now these are the figures that were presented to us by Mr. Killingsworth.

These seemingly impersonal numbers contain evidence of the severe economic and social costs that are now being borne by individual families when workers are unemployed for long periods of time. Many of these families have the average possessions—a car, a little furniture, perhaps a home with a mortgage on it—yet, when they become unemployed and eventually exhaust their benefits under unemployment compensation, they are forced literally into destitution before they become eligible for welfare. Many of these families must first give up these modest possessions before becoming eligible for additional income assistance. These statistics represent a tragic failure in my mind of economic policymaking. The only solution that is being offered by the administration in the budget and the economic report is to cut even more unemployed persons off from benefits at the end of 1976.

I know that Congress, or I believe that Congress, at least, will not tolerate such a heartless policy toward those that are most in need.

Now, Mr. Shiskin, you have some good news for us today, but I wanted to put some of this data before you, because we would like your comment on it. And now we want you to proceed with your analysis.

STATEMENT OF HON. JULIUS SHISKIN, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR, ACCOMPANIED BY W. JOHN LAYNG, ASSISTANT COMMISSIONER, OFFICE OF PRICES AND LIVING CONDITIONS; AND DEBORAH KLEIN, ECONOMIST, OFFICE OF CURRENT EMPLOYMENT ANALYSIS

Mr. SHISKIN. Thank you, Mr. Chairman. Mr. Chairman, Senator Javits, and Senator Proxmire, all of you know John Layng, who comes with me every month. He is our expert on price statistics and he backs me up on that. However, this month, Robert Stein, our expert on unemployment statistics, who has been accompanying me, has the flu, so I have with me Deborah Klein.

Chairman HUMPHREY. We welcome her.

Mr. SHISKIN. It is her first appearance here. She is one of our bright young lights in the BLS.

Chairman HUMPHREY. That shows you are practicing equal employment opportunities.

Mr. SHISKIN. Well, Mr. Chairman, as you know, the BLS has a long record of having distinguished professional women in high positions. Our Deputy Commissioner, Janet Norwood, who is sitting in the back, obviously is one of the most outstanding.

Chairman HUMPHREY. One of the many reasons we have so much faith in the integrity of the Service.

Mr. SHISKIN. They wouldn't let me get away with anything, Mr. Chairman.

I have a brief statement and I would like to read it.

Chairman HUMPHREY. Yes, sir, go ahead.

Mr. SHISKIN. Mr. Chairman and members of the committee, I welcome the opportunity to explain to the Joint Economic Committee certain features and implications of the comprehensive and complex body of data released at 10 a.m., this morning in our press release, the employment situation.

The cyclical recovery in the employment situation, which began early in 1975, continued in February. Further declines in unemployment were accompanied by further gains in employment. Aggregate hours rose only slightly because the rise in employment was offset by a decline in average weekly hours.

At 7.6 percent, the unemployment rate continued at a high level by historical standards. However, it declined in February for the fourth consecutive month; the decline over this period has totaled a full percentage point; since the recovery began last spring, the decline has been 1.3 points. Especially noteworthy in February were (1) the continued decline in the unemployment rate for automobile workers (now 5.4

percent) and (2) the large decline in the average duration of unemployment. The decline between October and February was not only large, but it was also widespread, with nearly all major demographic, occupational, and industry groups involved.

The range of the February unemployment rates computed by the 10 alternative seasonal adjustment methods we use is 7.5 to 7.9. All 10 alternative methods show a similar pattern of rapidly declining unemployment in recent months. Several methods show larger declines than the official method, though the additive and residual methods show smaller declines, table 1.

As is well known, month-to-month changes tend to be erratic and must be interpreted with caution. Movements over longer spans are more reliable, though they do not describe what takes place within the spans. While there is some uncertainty regarding the magnitude of the drop in unemployment between December and January, the February data support and confirm the pronounced decline over the 4-month span from October to February.

Further increases in employment accompanied the declines in unemployment in February. Total employment rose by 125,000. Employment in nonfarm industries rose by 300,000 according to the household survey and by a little over 200,000 according to the business survey. Since June, the trough in nonfarm employment in the business survey, nonfarm employment has risen by 2 million in both surveys. However, since March, the trough of household survey employment, nonfarm employment has risen by 2.3 and 1.9 million, according to the household and business surveys, respectively. About two-thirds of the industries continue to show rising employment, according to the BLS diffusion index of 172 industries. The employment-population ratio held steady between January and February, see table 2.

Average weekly hours of work declined slightly in February; aggregate hours rose slightly.

There have always been diverse views on the important question of who should be counted as unemployed. These differences of opinion have been exacerbated in recent months. I recently published an article which presents seven different, reasonable definitions of unemployment labeled U-1 (the most restrictive) to U-7 (the most inclusive). Some of these measures are being used by outside groups in addition to the official rate. Under the circumstances, I thought it might be helpful to include a few words about recent trends in some of the other measures in addition to the above description of trends in the official measure, U-5.

All seven categories of unemployment have been declining in recent months. Incidentally, I have these figures in table form, table 3, and I shall attach this table for you and the many other people who get this statement every month from now on.

Chairman HUMPHREY. Thank you.

Mr. SHISKIN. U-1, which measures long-term unemployment (15 weeks or longer) and tends to lag at business cycle peaks, has dropped in the last 2 months and, at 2.7 percent, was down from 3.1 in the fourth quarter of 1975. U-3, unemployed households heads, has been declining and in February was 4.9 percent compared to 5.9 percent in the fourth quarter. U-6, which includes the full-time job seekers, half the part-time job seekers and half the part-time workers for economic reasons, has also been declining. The February level was 9.3 percent, compared with 10.3 percent in the fourth quarter. U–7, which adds the discouraged workers to U–6, is not available for February. We will have that in next month's release.

In summary, the overall employment situation continued to improve in February. After 8 months of recovery, nonfarm payroll employment has made up more than 80 percent of the decline in the 1973–75 recession. While unemployment has also improved, particularly in recent months, only 27 percent of the rise during the recession has been made up. The recovery continues to be stronger in employment than that following the severe recession of 1957–58, but weaker in unemployment—tables 4 and 5.

I shall now try to answer your questions.

Chairman HUMPHREY. Thank you. The tables to your statement and the press release, of course, will be placed in the record.

[The tables referred to, together with the press release follow:]

TABLE 1.—UNEMPLOYMENT RATE BY ALTERNATE SEASONAL ADJUSTMENT METHODS

Month	Unadjusted rate	Official adjusted rate	Alternative age-sex procedures		Other aggregations (all multiplicative)					Direct adjustments			Composite		Range (col. 2–14)
			All unemployment multiplicative	All unemployment additive	Duration	Full time/ part time	Reasons	Occupation	Industry	Rate	Level	Residual	No. 1	No. 2	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
1975															
January	9.0	7.9	8.0	8.3	8.1	7.9	7.8	7.9	7.8	8.1	8.1	8.4	9.0	8.0	0.6
February	9.1	8.0	8.1	8.4	7.9	8.0	7.8	7.8	8.0	8.0	8.1	8.4	8.0	8.0	.6
March	9.1	8.5	8.5	8.7	8.4	8.4	8.3	8.4	8.4	8.5	8.5	8.7	8.5	8.4	.4
April	8.6	8.6	8.7	8.6	8.5	8.6	8.6	8.7	8.7	8.8	8.8	8.7	8.6	8.6	.3
May	8.3	8.9	9.0	8.7	8.8	8.8	9.0	9.1	9.0	9.3	9.2	8.7	8.8	8.9	.6
June	9.1	8.7	8.6	8.7	8.6	8.7	8.7	8.6	8.7	8.2	8.2	8.5	8.6	8.6	.5
July	8.7	8.7	8.6	8.6	8.6	8.7	8.8	8.6	8.6	8.5	8.4	8.5	8.7	8.6	.4
August	8.2	8.5	8.5	8.4	8.7	8.5	8.7	8.7	8.6	8.5	8.5	8.4	8.6	8.6	.3
September	8.1	8.6	8.6	8.4	8.8	8.6	8.8	8.6	8.5	8.5	8.5	8.4	8.6	8.6	.4
October	7.8	8.6	8.7	8.4	8.8	8.7	8.7	8.5	8.6	8.5	8.6	8.4	8.6	8.6	.4
November	7.8	8.5	8.5	8.2	8.7	8.6	8.6	8.4	8.5	8.5	8.5	8.3	8.5	8.5	.5
December	7.8	8.3	8.4	8.2	8.5	8.3	8.2	8.3	8.4	8.5	8.4	8.2	8.3	8.3	.3

1976															
January	8.8	7.8	7.8	8.2	8.1	7.8	7.7	7.8	7.8	7.9	7.9	8.2	7.9	7.9	.5
February	8.7	7.6	7.7	7.9	7.6	7.6	7.5	7.6	7.7	7.7	7.7	7.9	7.6	7.6	.4
March															
April															
May															
June															
July															
August															
September															
October															
November															
December															

Source: U.S. Department of Labor, Bureau of Labor Statistics, Mar. 5, 1976.

Note.—An explanation of columns 1 to 14 appears below:

(1) Unemployment rate not seasonally adjusted.

(2) Official rate.—This is the published seasonally adjusted rate. Each of 4 unemployed age-sex components—males and female, 16 to 19 and 20 yr of age and over—is independently adjusted. The teenage unemployment components are adjusted using the additive procedure of the X–11 method, while adults are adjusted using the X–11 multiplicative option. The rate is calculated by aggregating the 4 and dividing them by 12 summed labor force components—these 4 plus 8 employment components, which are the 4 age-sex groups in agriculture and nonagricultural industries. This employment total is also used in the calculation of the labor force base in cols. (3) to (9). The current "implicit" factors for the total unemployment rate are as follows: January, 113.1; February, 113.7; March, 108.1; April, 99.4; May, 93.4; June, 104.5; July, 99.5; August, 96.0; September, 94.7; October, 89.8; November, 91.4; December, 93.4.

(3) Multiplicative rate.—The 4 basic unemployed age-sex groups—males and females, 16 to 19, and 20 yr and over—are adjusted by the X–11 multiplicative procedure.

(4) Additive rate.—The 4 basic unemployed age-sex groups—males and females, 16 to 19, and 20 yr and over—are adjusted by the X–11 additive procedure.

(5) Duration.—Unemployment total is aggregated from 3 independently adjusted unemployment by duration groups (0 to 4, 5 to 14, 15 plus).

(6) Full-time and part-time.—Unemployment total is aggregated from 6 independently seasonally adjusted unemployment groups, by whether the unemployed are seeking full-time or part-time work for men 20 plus, women 20 plus, and teenagers.

(7) Reasons.—Unemployment total is aggregated from 4 independently seasonally adjusted unemployment levels by reasons for unemployment—job losers, job leavers, new entrants, and reentrants.

(8) Occupation.—Unemployment total is aggregated from independently seasonally adjusted unemployment by the occupation of the last job held. There are 13 unemployed components—12 major occupations plus new entrants to the labor force (no previous work experience).

(9) Industry.—Unemployment total is aggregated from 12 independently adjusted industry and class-of-worker categories, plus new entrants to the labor force.

(10) Unemployment rate adjusted directly.

(11) Unemployment and labor force levels adjusted directly.

(12) Labor force and employment levels adjusted directly, unemployment as a residual and rate then calculated.

(13) Average of (2), (5), (6), (7), and (12).

(14) Average of (2), (5), (6), (7), (8), (9), and (12).

Note: The X–11 method, developed by Julius Shiskin at the Bureau of the Census over the period 1955–65, was used in computing all the seasonally adjusted series described above.

TABLE 2.—EMPLOYMENT-POPULATION RATIOS

Category	Annual averages		Seasonally adjusted estimates							
			January 1974 (cyclical high month)	March 1975 (cyclical low month)	Quarterly averages, 1975				January 1976	February 1976
	1974	1975			I	II	III	IV		
Total, all workers	57.8	56.0	58.3	55.9	56.1	56.0	56.1	56.0	56.4	56.4
Adult males	77.9	74.9	79.0	74.9	75.3	74.8	74.9	74.5	74.8	74.8
Adult females	42.7	42.3	42.4	42.0	42.0	42.2	42.5	42.5	43.0	43.0
Teenagers	46.1	43.3	47.5	43.2	43.6	43.3	43.3	43.0	43.6	43.7

Source: U.S. Department of Labor, Bureau of Labor Statistics, Mar. 5, 1976.

TABLE 3.—RANGE OF UNEMPLOYMENT INDICATORS REFLECTING VALUE JUDGMENTS ABOUT SIGNIFICANCE OF UNEMPLOYMENT

[In percent]

U-1 through U-7	Annual averages		Seasonally adjusted estimates							
			Oct. 1973 (cyclical low month)	May 1975 (cyclical high month)	Quarterly averages, 1975				Jan. 1976	Feb. 1976
	1974	1975			I	II	III	IV		
U-1—Persons unemployed 15 weeks or longer as a percent of total civilian labor force	1.0	2.7	0.9	2.7	2.0	2.7	3.1	3.1	3.0	2.7
U-2—Job losers as a percent of civilian labor force	2.4	4.7	1.7	5.1	4.3	5.0	5.0	4.6	3.7	3.7
U-3—Unemployed household heads as a percent of the household head labor force	3.3	5.8	2.7	6.1	5.4	6.0	5.9	5.9	5.1	4.9
U-4—Unemployed full-time job seekers as a percent of the full-time labor force (including those employed part time for economic reasons)	5.1	8.1	4.1	8.5	7.7	8.4	8.3	8.2	7.3	7.1
U-5—Total unemployed as a percent of civilian labor force (official measure)	5.6	8.5	4.7	8.9	8.1	8.7	8.6	8.5	7.8	7.6
U-6—Total full-time job seekers plus half part-time job seekers plus half total on part time for economic reasons as a percent of civilian labor force less half part-time labor force	6.9	10.3	5.9	10.9	10.1	10.7	10.4	10.3	9.6	9.3
U-7—Total full-time job seekers plus half part-time job seekers plus half total on part time for economic reasons plus discouraged workers as a percent of civilian labor force plus discouraged workers less half of part-time labor force	7.7	11.5	6.6	12.0	11.2	11.9	11.6	11.3	(1)	(1)

[1] Not available.

Note: Reflects recent revisions of basic data.

Source: U.S. Department of Labor, Bureau of Labor Statistics, Mar. 5, 1976.

TABLE 4.—MEASURES OF PROGRESS TOWARD PREVIOUS CYCLICAL PEAK LEVEL DURING CURRENT ECONOMIC RECOVERY

Series (with latest month available) (1)	Percent decline during 1973–75 recession (2)	Percent of recession decline recovered, trough to date (3)	Percent of previous peak level (4)	Percent change from trough (5)
I. Leading indicators:				
Leading index, trend adjusted (January)	−22.4	76.3	94.7	+22.0
Average workweek (January)[1]	−4.4	66.7	98.5	+3.1
New orders, 1967 dollars (January)[1]	−27.3	49.7	86.3	+18.6
Contracts and orders, 1967 dollars (January)[1]	−28.8	.3	70.2	−1.4
Housing starts (January)[1]	−58.6	21.9	54.2	+31.0
Stock prices (January)	−43.4	58.0	81.8	+44.4
Corporate profits after taxes, 1972 dollars (3d quarter)	−35.6	50.6	82.4	+28.0
II. Coincident indicators:				
Nonagricultural payroll employment (February)	−3.2	80.5	99.4	+2.6
Unemployment level (February)[2]	+98.3	27.2	171.5	−13.5
Man-hours, nonagricultural establishments (January)	−5.0	70.1	89.5	+3.7
GNP, 1972 dollars (4th quarter 1975, revised)	−6.6	69.6	98.0	+4.9
Personal income less transfer payments, 1967 dollars (January)	−7.4	54.1	96.6	+4.3
Industrial production (January)	−13.8	53.4	93.6	+8.6
Retail sales, 1967 dollars (January)[1]	−10.0	66.7	96.7	+7.4

[1] 3-month averages have been used for the calculations for this series; for example, the averages of the specific trough month, the previous and following months were compared with the average for the latest 3 months available to obtain the entries in cols. (3) to (5). For other series single months have been used.

[2] The unemployment series tends to move counter to movements in general business activity, that is, the unemployment level tends to rise during recessions and decline during expansions.

TABLE 5.—MEASURES OF PROGRESS TOWARD PREVIOUS CYCLICAL PEAK LEVEL AT CORRESPONDING STAGE OF 1958–59 ECONOMIC RECOVERY

Series (1)	Percent decline during 1957–58 recession (2)	Percent of recession decline recovered (3)	Percent of previous peak level (4)	Percent change from trough (5)
Nonagricultural payroll employment	−4.3	71.0	98.7	+3.2
Unemployment level[1]	+102.5	58.7	142.3	−29.7
GNP, 1972 dollars	−3.2	174.3	102.4	+5.8

[1] The unemployment series tends to move counter to movements in general business activity; that is, the unemployment level tends to rise during recessions and decline during expansions.

NEWS

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THE EMPLOYMENT SITUATION: FEBRUARY 1976

The Nation's overall employment situation continued to improve in February, as unemployment declined and employment rose, it was reported today by the Bureau of Labor Statistics of the U. S. Department of Labor. The unemployment rate was 7.6 percent, down from the recession peak of 8.9 percent reached last May. Most of the reduction has taken place in the 4-month period since October.

Total employment--as measured by the monthly survey of households--moved up slightly in February, following a very large gain in the previous month. After plunging by 2.2 million, the employed total has now fully returned to the July 1974 pre-recession peak of 86.3 million. A large part of this recovery has been among adult women, as employment of adult men was still nearly 700,000 below its high point.

Nonagricultural payroll employment--as measured by the monthly survey of establishments--increased by 210,000 in February. Since last June's low, payroll jobs have risen by 2 million, still half a million below the September 1974 peak.

Unemployment

The number of persons unemployed declined by 150,000 in February to 7.1 million, after adjustment for seasonality. While this drop was relatively small, it continued the downtrend which had begun in June and accelerated after October. The unemployment rate, at 7.6 percent in February, was down from 7.8 percent in January and 8.6 percent last October.

The small February unemployment decline was diffused among many component groups, such that there were very few dramatic changes. The jobless rate for household heads continued its descent, moving below the 5-percent mark for the first time since late 1974. The rate for full-time workers also declined, while that for married men was unchanged. The jobless rate for white workers continued to decrease--to 6.8 percent.

However, the rate for blacks (Negro and other races) was little changed in February (13.7 percent) and also has shown little change over the past year. (See table A-2.)

The decline in joblessness since October has occurred primarily among adult men. Substantial declines over the last 4 months were also registered in most industry and occupational groups, particularly among blue-collar workers and those who last worked in the manufacturing and construction industries.

Table A. Highlights of the employment situation (seasonally adjusted data)

Selected categories	Quarterly averages					Monthly data		
	1974	1975				Dec. 1975	Jan. 1976	Feb. 1976
	IV	I	II	III	IV			
	(Millions of persons)							
Civilian labor force	91.7	91.8	92.5	93.1	93.2	93.1	93.5	93.5
Total employment	85.5	84.3	84.4	85.1	85.2	85.4	86.2	86.3
Adult men	48.2	47.3	47.3	47.6	47.5	47.6	47.9	48.0
Adult women	30.0	29.9	30.1	30.5	30.7	30.8	31.1	31.2
Teenagers	7.3	7.1	7.0	7.1	7.0	7.1	7.1	7.2
Unemployment	6.1	7.5	8.1	8.0	7.9	7.7	7.3	7.1
	(Percent of labor force)							
Unemployment rates:								
All workers	6.7	8.1	8.7	8.6	8.5	8.3	7.8	7.6
Adult men	4.9	6.2	7.0	7.0	7.0	6.6	5.8	5.7
Adult women	6.5	8.0	8.4	7.9	7.9	8.0	7.5	7.5
Teenagers	17.6	19.8	20.2	20.2	19.5	19.6	19.9	19.2
White	6.0	7.5	8.0	7.9	7.8	7.6	7.1	6.8
Negro and other races	11.7	13.4	14.1	14.1	14.0	13.8	13.2	13.7
Household heads	4.2	5.4	6.0	5.9	5.9	5.7	5.1	4.9
Married men	3.5	4.7	5.5	5.4	5.1	4.8	4.1	4.1
Full-time workers	6.2	7.7	8.4	8.3	8.2	7.9	7.3	7.1
	(Weeks)							
Average duration of unemployment	10.0	11.3	13.8	15.6	16.5	17.0	16.9	16.2
	(Millions of persons)							
Nonfarm payroll employment	78.3	76.9	76.4	77.0	77.6	77.8	78.1p	78.3p
Goods-producing industries	24.1	22.8	22.3	22.4	22.7	22.7	22.9p	22.9p
Service-producing industries	54.2	54.1	54.1	54.6	54.9	55.1	55.2p	55.4p
	(Hours of work)							
Average weekly hours:								
Total private nonfarm	36.3	36.1	35.9	36.1	36.3	36.4	36.6p	36.5p
Manufacturing	39.6	39.0	39.1	39.6	40.0	40.3	40.5p	40.3p
Manufacturing overtime	2.9	2.4	2.4	2.7	2.9	3.0	3.0p	3.0p
	(1967=100)							
Hourly Earnings Index, private nonfarm:								
In current dollars	164.3	167.7	170.7	174.3	177.8	178.6	179.8p	180.7p
In constant dollars	106.6r	106.7	107.0r	107.1	107.5	107.3	107.6p	N.A.

p= preliminary.
N.A.= not available.
r = revised.

The average (mean) duration of unemployment dropped to 16.2 weeks in February, after holding at a high of 17 weeks in the prior 3-month period. This movement was largely due to a substantial decrease in the number of persons unemployed 15 weeks or longer, particularly those who were unemployed 15-26 weeks. After declining sharply in December and January, the number of unemployed persons who had lost their jobs was unchanged in February. There was a decline, however, in the number of unemployed persons who had reentered the labor force. (See tables A-4 and A-5.)

After rising to 3.5 million in January, the number of employed persons on part-time schedules for economic reasons returned to the 3.3 million level that had prevailed since last July. (See table A-3.) Labor force time lost--a measure that combines the involuntary part-time employed with unemployment on a worker-hours basis--also dropped over the month.

Total Employment and Labor Force

Total employment edged up in February to 86.3 million, seasonally adjusted, after increasing by 800,000 in the previous month. There were, however, contrasting movements within the total, as agricultural employment dropped by 170,000 while nonagricultural employment grew 300,000. (See table A-1.) Since the March 1975 low, total employment has risen by 2.2 million persons to a level equal to the previous alltime peak registered in July 1974. Adult women accounted for over half of this gain.

The civilian labor force held steady in February at 93.5 million persons. Over the past year, labor force growth has totaled 1.9 million, with adult women comprising more than 1.3 million of the increase. During this period, the labor force participation rate for adult women increased by a full percentage point (to 46.5 percent), while that for adult men declined by nearly a point. (See table A-1.)

Industry Payroll Employment

Total nonagricultural payroll employment advanced for the eighth straight month, increasing by 210,000 in February to 78.3 million (seasonally adjusted). The payroll job count was 2 million above the June low level, but still 490,000 below the alltime high recorded in September 1974. Over-the-month employment gains occurred in 64 percent of the 172 industries comprising the diffusion index of nonagricultural payroll employment. (See tables B-1 and B-6.)

Employment in manufacturing continued to rise, although modestly when contrasted with the expansion in earlier months. However, the limited increase reflected a netting out of generally small movements among the component industries. Within durable goods, increases in fabricated metal products and lumber were partially offset by a decrease in transportation equipment (other than automobiles). In nondurables, the only notable increase was in food and kindred products.

After a slight upturn in January, employment in contract construction dropped by nearly 60,000 in February. The job count in that industry has hovered around the recessionary low level of 3.4 million for almost a year.

In contrast to the goods-producing industries, increases were posted in all but one of the service-producing industries. Trade led the expansion with a gain of nearly 100,000, more than two-thirds of which occurred in the retail sector. Employment in services continued to climb, adding 70,000 to payrolls over the month. Transportation and public utilities also increased, with a gain of 30,000 jobs.

Hours

The average workweek for all production or nonsupervisory workers on private nonfarm payrolls edged down by 0.1 hour in February to 36.5 hours (seasonally adjusted). The manufacturing workweek was the key factor in this decline, dropping 0.2 hour to 40.3 hours. Having risen unevenly since last February's recession low--by 1.5 hours--the factory workweek was still 0.7 hour below the pre-recession high of February 1973. Factory overtime was 3.0 hours for the third consecutive month. (See table B-2.)

As the increase in employment outweighed the decrease in average weekly hours, the index of aggregate hours of private nonagricultural production or nonsupervisory employees inched up by 0.3 percent to 110.8 (1967=100), continuing the growth exhibited for the previous 7 months. The aggregate factory hours index remained at the January level of 93.7, marking the first pause in an otherwise consistent pattern of growth that had prevailed since last May. (See table B-5.)

Hourly and Weekly Earnings

Average hourly earnings of production or nonsupervisory workers on total private nonagricultural payrolls were 0.4 percent above the January level, seasonally adjusted, and 7.2 percent above the previous February's level. Average weekly earnings increased 0.2 percent from January and 8.4 percent over the last 12 months.

Before adjustment for seasonality, average hourly earnings went up 2 cents to $4.74. Since last February, the increase has been 32 cents. Average weekly earnings were $171.11, 72 cents higher than in January and $13.32 above February a year ago. (See table B-3.)

The Hourly Earnings Index

The Hourly Earnings Index--earnings adjusted for overtime in manufacturing, seasonality, and the effects of changes in the proportion of workers in high-wage and low-wage industries--was 180.7 (1967=100) in February, 0.5 percent higher than in January. The index was 7.7 percent above February a year ago. During the 12-month period ended in January, the Hourly Earnings Index in dollars of constant purchasing power rose 1.3 percent. (See table B-4.)

This release presents and analyzes statistics from two major surveys. Data on labor force, total employment, and unemployment are derived from the sample survey of households conducted and tabulated by the Bureau of the Census for the Bureau of Labor Statistics. Statistics on payroll employment, hours, and earnings are collected by State agencies from payroll records of employers and are tabulated by the Bureau of Labor Statistics. Unless otherwise indicated, data for both series relate to the week of the specified month containing the 12th day. A description of the two surveys appears in the BLS publication *Employment and Earnings*.

Table A-1. Employment status of the noninstitutional population

(Numbers in thousands)

Employment status	Not seasonally adjusted			Seasonally adjusted					
	Feb. 1975	Jan. 1976	Feb. 1976	Feb. 1975	Oct. 1975	Nov. 1975	Dec. 1975	Jan. 1976	Feb. 1976
TOTAL									
Total noninstitutional population[1]	152,445	154,915	155,106	152,445	154,256	154,476	154,700	154,915	155,106
Total labor force	93,111	94,805	94,944	93,721	95,377	95,272	95,286	95,624	95,601
Participation rate	61.1	61.2	61.2	61.5	61.8	61.7c	61.6	61.7	61.6
Civilian noninstitutional population[1]	150,246	152,775	152,960	150,246	152,092	152,320	152,543	152,775	152,960
Civilian labor force	90,913	92,665	92,798	91,523	93,213	93,117	93,129	93,484	93,455
Participation rate	60.5	60.7	60.7	60.9	61.3	61.1	61.1	61.2	61.1
Employed	82,604	84,491	84,764	84,163	85,151	85,178	85,394	86,194	86,319
Agriculture	2,890	2,853	2,802	3,252	3,408	3,301	3,236	3,343	3,170
Nonagricultural industries	79,714	81,638	81,963	80,911	81,743	81,877	82,158	82,851	83,149
Unemployed	8,309	8,174	8,033	7,360	8,062	7,939	7,735	7,290	7,136
Unemployment rate	9.1	8.8	8.7	8.0	8.6	8.5	8.3	7.8	7.6
Not in labor force	59,333	60,110	60,163	58,723	58,879	59,203	59,414	59,291	59,505
Males, 20 years and over									
Total noninstitutional population[1]	64,644	65,739	65,821	64,644	65,444	65,542	65,643	65,739	65,821
Total labor force	52,149	52,513	52,539	52,176	52,944	52,888	52,651	52,576	52,603
Participation rate	80.7	79.9	79.8	80.7	80.9	80.7	80.2	80.0	79.9
Civilian noninstitutional population[1]	62,911	64,055	64,133	62,911	63,725	63,830	63,929	64,055	64,133
Civilian labor force	50,417	50,829	50,850	50,443	51,225	51,176	50,937	50,892	50,914
Participation rate	80.1	79.4	79.3	80.2	80.4	80.2	79.7	79.5	79.4
Employed	46,512	47,136	47,182	47,339	47,513	47,521	47,586	47,916	47,997
Agriculture	2,282	2,163	2,174	2,420	2,430	2,386	2,316	2,351	2,305
Nonagricultural industries	44,230	44,973	45,007	44,919	45,083	45,135	45,270	45,565	45,692
Unemployed	3,905	3,693	3,669	3,104	3,712	3,655	3,351	2,976	2,917
Unemployment rate	7.7	7.3	7.2	6.2	7.2	7.1	6.6	5.8	5.7
Not in labor force	12,494	13,226	13,283	12,468	12,500	12,654	12,992	13,163	13,219
Females, 20 years and over									
Civilian noninstitutional population[1]	71,167	72,354	72,452	71,167	72,029	72,139	72,251	72,354	72,452
Civilian labor force	32,563	33,746	33,912	32,351	33,236	33,256	33,415	33,683	33,687
Participation rate	45.8	46.6	46.8	45.5	46.1	46.1	46.2	46.6	46.5
Employed	29,813	31,002	31,201	29,792	30,621	30,619	30,755	31,140	31,165
Agriculture	362	408	333	457	534	491	483	545	420
Nonagricultural industries	29,450	30,595	30,868	29,335	30,087	30,128	30,272	30,595	30,745
Unemployed	2,750	2,744	2,711	2,559	2,615	2,637	2,660	2,543	2,522
Unemployment rate	8.4	8.1	8.0	7.9	7.9	7.9	8.0	7.5	7.5
Not in labor force	38,604	38,608	38,540	38,816	38,793	38,883	38,836	38,671	38,765
Both sexes, 16-19 years									
Civilian noninstitutional population[1]	16,168	16,366	16,376	16,168	16,338	16,352	16,363	16,366	16,376
Civilian labor force	7,934	8,090	8,035	8,729	8,752	8,685	8,777	8,909	8,854
Participation rate	49.1	49.4	49.1	54.0	53.6	53.1	53.6	54.4	54.1
Employed	6,280	6,353	6,381	7,032	7,017	7,038	7,053	7,138	7,157
Agriculture	246	282	294	375	444	424	437	447	445
Nonagricultural industries	6,034	6,071	6,087	6,657	6,573	6,614	6,616	6,691	6,712
Unemployed	1,654	1,737	1,654	1,697	1,735	1,647	1,724	1,771	1,697
Unemployment rate	20.8	21.5	20.6	19.4	19.8	19.0	19.6	19.9	19.2
Not in labor force	8,235	8,276	8,340	7,439	7,586	7,667	7,586	7,457	7,522
WHITE									
Civilian noninstitutional population[1]	132,720	134,668	134,813	132,720	134,121	134,303	134,480	134,668	134,813
Civilian labor force	80,688	82,125	82,178	81,143	82,725	82,517	82,474	82,738	82,715
Participation rate	60.8	61.0	61.0	61.1	61.7	61.4	61.3	61.4	61.4
Employed	73,825	75,439	75,689	75,225	76,077	76,059	76,223	76,839	77,101
Unemployed	6,863	6,686	6,488	5,918	6,648	6,458	6,251	5,899	5,614
Unemployment rate	8.5	8.1	7.9	7.3	8.0	7.8	7.6	7.1	6.8
Not in labor force	52,032	52,543	52,635	51,577	51,396	51,786	52,006	51,930	52,098
NEGRO AND OTHER RACES									
Civilian noninstitutional population[1]	17,527	18,107	18,147	17,527	17,971	18,018	18,063	18,107	18,147
Civilian labor force	10,225	10,540	10,620	10,405	10,668	10,684	10,653	10,731	10,795
Participation rate	58.3	58.2	58.5	59.4	59.4	59.3	59.0	59.3	59.5
Employed	8,779	9,052	9,075	9,019	9,147	9,197	9,188	9,314	9,315
Unemployed	1,447	1,488	1,545	1,386	1,521	1,487	1,465	1,417	1,480
Unemployment rate	14.1	14.1	14.5	13.3	14.3	13.9	13.8	13.2	13.7
Not in labor force	7,301	7,567	7,527	7,122	7,303	7,334	7,410	7,376	7,352

[1] Seasonal variations are not present in the population figures; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

NOTE: Data relate to the noninstitutional population 16 years of age and over. Total noninstitutional population and total labor force include persons in the Armed Forces.

c= corrected.

Table A-2. Major unemployment indicators, seasonally adjusted

Selected categories	Number of unemployed persons (In thousands)		Unemployment rates					
	Feb. 1975	Feb. 1976	Feb. 1975	Oct. 1975	Nov. 1975	Dec. 1975	Jan. 1976	Feb. 1976
Total, 16 years and over	7,360	7,136	8.0	8.6	8.5	8.3	7.8	7.6
Males, 20 years and over	3,104	2,917	6.2	7.2	7.1	6.6	5.8	5.7
Females, 20 years and over	2,559	2,522	7.9	7.9	7.9	8.0	7.5	7.5
Both sexes, 16-19 years	1,697	1,697	19.4	19.8	19.0	19.6	19.9	19.2
White, total	5,918	5,614	7.3	8.0	7.8	7.6	7.1	6.8
Males, 20 years and over	2,496	2,296	5.5	6.7	6.5	5.9	5.2	5.0
Females, 20 years and over	2,084	1,960	7.4	7.5	7.5	7.5	7.0	6.7
Both sexes, 16-19 years	1,338	1,356	[illegible]	17.7	17.1	17.8	18.3	17.1
Negro and other races, total	1,386	[illegible]	13.3	14.3	13.9	13.8	13.2	13.7
Males, 20 years and over	571	590	11.0	12.2	12.8	12.3	11.2	11.2
Females, 20 years and over	465	560	10.9	11.9	11.0	10.8	11.0	12.2
Both sexes, 16-19 years	350	330	36.2	36.7	34.3	35.2	34.6	35.2
Household heads	2,782	2,639	5.3	6.0	5.8	5.7	5.1	4.9
Married men, spouse present	1,855	1,640	4.7	5.3	5.1	4.8	4.1	4.1
Full-time workers	5,979	5,678	7.6	8.5	8.3	7.9	7.3	7.1
Part-time workers	1,344	1,426	10.2	10.4	10.2	10.5	10.5	10.4
Unemployed 15 weeks and over[1]	1,828	2,515	2.0	2.9c	3.2c	3.3c	3.0	2.7
Labor force time lost[2]	—	—	8.7	9.4	9.3	8.9	8.4	8.1
OCCUPATION[3]								
White-collar workers	1,922	2,067	4.4	4.8	4.8	4.8	4.7	4.6
Professional and technical	406	489	3.2	3.2	3.7	3.1	3.0	3.6
Managers and administrators, except farm	237	276	2.7	2.9	2.9	3.0	2.9	2.9
Sales workers	306	295	5.3	6.0	6.3	6.3	6.4	5.2
Clerical workers	973	1,007	6.0	6.7	6.4	6.6	6.4	6.1
Blue-collar workers	3,328	2,934	10.6	11.0	11.3	10.7	9.4	9.3
Craft and kindred workers	752	908	6.4	8.7	8.3	7.2	6.6	6.7
Operatives	1,882	1,433	12.8	12.5	12.4	12.2	10.2	9.8
Nonfarm laborers	694	693	14.3	16.4	15.5	14.9	14.1	14.1
Service workers	968	1,158	7.7	9.1	8.7	9.2	9.3	8.9
Farm workers	92	112	3.1	3.7	3.8	4.5	3.9	3.9
INDUSTRY[3]								
Nonagricultural private wage and salary workers[4]	5,733	6,221	8.6	9.2	9.2	8.9	8.1	8.0
Construction	703	[illegible]	16.3	18.1	17.5	16.6	15.4	15.5
Manufacturing	2,268	[illegible]	10.7	10.6	10.5	9.6	8.1	8.0
Durable goods	1,336	1,002	10.6	11.1	10.8	9.9	8.2	8.0
Nondurable goods	932	713	10.8	9.7	10.0	9.2	8.0	8.1
Transportation and public utilities	254	231	5.1	5.6	4.9	5.1	4.9	4.7
Wholesale and retail trade	1,302	1,418	7.9	9.1	9.4	9.4	8.7	8.4
Finance and service industries	1,172	1,310	6.3	7.0	7.0	7.0	7.0	6.8
Government workers	535	692	3.6	4.3	4.0	4.4	4.2	4.4
Agricultural wage and salary workers	118	154	9.0	10.7	10.2	12.4	10.8	10.6
VETERAN STATUS								
Males, Vietnam-era veterans:[5]								
20 to 34 years	498	487	8.4	9.9	10.2	10.3	8.1	7.8
20 to 24 years	180	165	17.0	22.3	23.1	22.0	18.9	17.9
25 to 29 years	[illegible]	[illegible]	7.0	8.4	9.0	9.9	7.1	7.1
30 to 34 years	89	94	5.6	5.9	5.6	5.3	4.8	4.6
Males, nonveterans:								
20 to 34 years	1,315	1,226	9.4	10.2	10.1	9.2	8.8	8.3
20 to 24 years	795	773	12.6	13.8	13.2	12.6	12.0	11.0
25 to 29 years	331	295	8.2	8.2	7.9	6.8	7.3	6.6
30 to 34 years	189	198	5.1	6.0	7.1	6.0	4.8	5.5

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

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

[3] Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.

[4] Includes mining, not shown separately.

[5] Vietnam-era veterans are those who served after August 4, 1964.

c= corrected.

Table A-3. Selected employment indicators

[In thousands]

Selected categories	Not seasonally adjusted		Seasonally adjusted					
	Feb. 1975	Feb. 1976	Feb. 1975	Oct. 1975	Nov. 1975	Dec. 1975	Jan. 1976	Feb. 1976
Total employed, 16 years and over	82,604	84,764	84,163	85,151	85,178	85,394	86,194	86,319
Males	49,848	50,551	51,151	51,300	51,325	51,390	51,761	51,870
Females	32,756	34,213	33,012	33,851	33,853	34,004	34,433	34,449
Household heads	49,176	50,128	49,760	50,258	50,316	50,332	50,628	50,737
Married men, spouse present	37,346	37,438	37,849	37,921	37,858	37,739	37,996	37,931
Married women, spouse present	19,288	19,976	19,279	19,799	19,833	19,859	20,065	19,976
OCCUPATION								
White-collar workers	41,776	43,092	41,730	42,386	42,253	42,326	42,797	43,028
Professional and technical	12,717	13,356	12,472	12,773	12,795	13,026	13,166	13,094
Managers and administrators, except farm	8,570	9,025	8,678	9,027	9,077	8,837	9,044	9,135
Sales workers	5,319	5,200	5,456	5,515	5,269	5,296	5,224	5,333
Clerical workers	15,172	15,512	15,124	15,071	15,112	15,167	15,363	15,466
Blue-collar workers	26,789	27,497	27,989	28,105	28,126	28,408	28,759	28,725
Craft and kindred workers	10,584	10,879	10,994	11,104	11,018	11,265	11,266	11,297
Operatives	12,530	12,897	12,833	12,915	13,010	13,043	13,303	13,214
Nonfarm laborers	3,674	3,721	4,162	4,086	4,098	4,100	4,190	4,214
Service workers	11,535	11,749	11,630	11,759	11,872	11,837	11,926	11,848
Farm workers	2,503	2,425	2,844	2,975	2,838	2,782	2,868	2,772
MAJOR INDUSTRY AND CLASS OF WORKER								
Agriculture:								
Wage and salary workers	1,013	1,094	1,199	1,303	1,262	1,231	1,300	1,295
Self-employed workers	1,638	1,503	1,739	1,710	1,687	1,663	1,649	1,596
Unpaid family workers	239	205	350	408	349	300	331	300
Nonagricultural industries:								
Wage and salary workers	73,955	75,971	74,979	75,760	75,468	76,038.	76,568	77,023
Private households	1,288	1,178	1,311	1,349	1,307	1,309	1,287	1,200
Government	14,634	15,159	14,374	14,443	14,628	14,719	14,779	14,891
Other	58,033	59,634	59,294	59,968	59,533	60,010	60,502	60,932
Self-employed workers	5,327	5,362	5,449	5,531	5,991	5,683	5,693	5,684
Unpaid family workers	431	429	493	478	540	510	528	490
PERSONS AT WORK [1]								
Nonagricultural industries	76,277	78,485	76,132	76,822	77,103	77,380	78,506	78,399
Full-time schedules	61,513	63,802	62,092	62,824	63,141	63,730	64,211	64,381
Part time for economic reasons	3,602	3,154	3,627	3,361	3,353	3,243	3,482	3,262
Usually work full time	2,086	1,427	1,912	1,459	1,405	1,332	1,415	1,308
Usually work part time	1,516	1,727	1,715	1,902	1,948	1,911	2,067	1,954
Part time for noneconomic reasons	11,162	11,529	10,413	10,637	10,609	10,407	10,813	10,755

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

Table A-4. Duration of unemployment

[Numbers in thousands]

Weeks of unemployment	Not seasonally adjusted		Seasonally adjusted					
	Feb. 1975	Feb. 1976	Feb. 1975	Oct. 1975	Nov. 1975	Dec. 1975	Jan. 1976	Feb. 1976
Less than 5 weeks	2,879	2,699	2,866	3,015	2,641	2,648	2,706	2,686
5 to 14 weeks	3,399	2,541	2,484	2,446	2,469	2,244	2,091	1,856
15 weeks and over	2,031	2,794	1,828	2,719	3,004	3,080	2,785	2,515
15 to 26 weeks	1,312	1,241	1,107	1,238	1,286	1,413	1,155	957
27 weeks and over	718	1,552	721	1,481	1,718	1,667	1,630	1,558
Average (mean) duration, in weeks	11.8	16.4	11.7	15.6	16.9	17.0	16.9	16.2
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	34.6	33.6	39.9	36.9	32.5	33.2	35.7	38.1
5 to 14 weeks	40.9	31.6	34.6	29.9	30.4	28.1	27.6	26.3
15 weeks and over	24.4	34.8	25.5	33.2	37.0	38.6	36.7	35.6
15 to 26 weeks	15.8	15.4	15.4	15.1	15.8	17.7	15.2	13.6
27 weeks and over	8.6	19.3	10.0	18.1	21.2	20.9	21.5	22.1

Table A-5. Reasons for unemployment

[Numbers in thousands]

Reason	Not seasonally adjusted		Seasonally adjusted					
	Feb. 1975	Feb. 1976	Feb. 1975	Oct. 1975	Nov. 1975	Dec. 1975	Jan. 1976	Feb. 1976
NUMBER OF UNEMPLOYED								
Lost last job	5,110	4,493	3,914	4,531	4,444	3,955	3,481	3,440
Left last job	758	863	745	829	872	862	849	848
Reentered labor force	1,740	1,925	1,684	1,892	1,846	1,975	1,985	1,864
Seeking first job	701	752	798	844	837	865	886	849
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	61.5	55.9	54.8	56.0	55.6	51.7	48.3	49.1
Job leavers	9.1	10.7	10.4	10.2	10.9	11.3	11.8	12.1
Reentrants	20.9	24.0	23.6	23.4	23.1	25.8	27.6	26.6
New entrants	8.4	9.4	11.2	10.4	10.5	11.3	12.3	12.1
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE								
Job losers	5.6	4.8	4.3	4.9	4.8	4.2	3.7	3.7
Job leavers	.8	.9	.8	.9	.9	.9	.9	.9
Reentrants	1.9	2.1	1.8	2.0	2.0	2.1	2.1	2.0
New entrants	.8	.8	.9	.9	.9	.9	.9	.9

Table A-6. Unemployment by sex and age

Sex and age	Not seasonally adjusted			Seasonally adjusted unemployment rates					
	Thousands of persons		Percent looking for full-time work						
	Feb. 1975	Feb. 1976	Feb. 1976	Feb. 1975	Oct. 1975	Nov. 1975	Dec. 1975	Jan. 1976	Feb. 1976
Total, 16 years and over	8,309	8,033	80.3	8.0	8.6	8.5	8.3	7.8	7.6
16 to 19 years	1,654	1,654	51.5	19.4	19.8	19.0	19.6	19.9	19.2
16 to 17 years	740	741	28.1	21.0	21.9	20.1	20.6	21.2	21.4
18 to 19 years	914	913	70.4	18.1	18.2	18.1	18.9	19.0	17.5
20 to 24 years	1,963	1,838	86.9	13.2	14.0	14.2	13.5	12.7	12.1
25 years and over	4,693	4,541	88.2	5.6	6.3	6.1	5.9	5.4	5.3
25 to 54 years	3,940	3,768	89.5	5.9	6.6	6.4	6.2	5.5	5.5
55 years and over	753	773	81.6	4.6	4.9	5.0	5.0	4.5	4.8
Males, 16 years and over	4,867	4,610	83.9	7.3	88.3	8.1	7.6	7.1	6.9
16 to 19 years	961	941	50.9	19.8	19.8	18.8	19.0	20.1	19.3
16 to 17 years	450	425	26.8	21.5	21.6	19.6	19.3	21.5	21.0
18 to 19 years	512	516	70.9	18.2	18.2	18.2	18.7	19.6	17.8
20 to 24 years	1,163	1,071	87.4	13.4	15.1	14.6	13.8	12.8	11.9
25 years and over	2,742	2,597	94.4	4.9	6.0	5.8	5.4	4.7	4.6
25 to 54 years	2,270	2,109	96.8	5.0	6.2	6.0	5.6	4.8	4.6
55 years and over	472	488	83.8	4.3	4.6	4.8	4.7	4.2	4.6
Females, 16 years and over	3,443	3,424	75.5	9.1	9.2	9.1	9.3	8.9	8.7
16 to 19 years	693	713	52.2	19.0	19.9	19.1	20.3	19.6	19.1
16 to 17 years	290	316	29.7	20.4	22.3	20.7	22.2	20.8	21.7
18 to 19 years	402	397	70.0	17.9	18.2	17.9	19.1	18.4	17.2
20 to 24 years	799	767	86.3	13.0	12.7	13.7	13.1	12.7	12.2
25 years and over	1,951	1,944	79.9	6.7	6.8	6.7	6.8	6.4	6.4
25 to 54 years	1,670	1,659	80.2	7.2	7.3	7.0	7.2	6.6	6.9
55 years and over	281	285	77.9	5.1	5.4	5.3	5.4	5.1	5.0

Table B-1. Employees on nonagricultural payrolls, by industry

[In thousands]

Industry	Not seasonally adjusted				Seasonally adjusted					
	Feb. 1975	Dec. 1975	Jan. 1976^p	Feb. 1976^p	Feb. 1975	Oct. 1975	Nov. 1975	Dec. 1975	Jan. 1976^p	Feb. 1976^p
TOTAL	75,772	78,527	77,045	77,316	76,804	77,555	77,574	77,796	78,137	78,344
GOODS-PRODUCING	22,087	22,685	22,311	22,314	22,691	22,669	22,657	22,743	22,918	22,903
MINING	714	763	752	751	724	774	766	769	760	762
CONTRACT CONSTRUCTION	3,208	3,338	3,067	3,014	3,592	3,402	3,409	3,406	3,434	3,375
MANUFACTURING	18,165	18,584	18,492	18,549	18,375	18,493	18,482	18,568	18,724	18,766
Production workers	12,859	13,329	13,246	13,313	13,051	13,235	13,222	13,311	13,451	13,511
DURABLE GOODS	10,708	10,735	10,717	10,733	10,813	10,661	10,653	10,717	10,823	10,841
Production workers	7,540	7,625	7,608	7,634	7,634	7,548	7,539	7,603	7,704	7,731
Ordnance and accessories	176.3	163.6	162.5	160.9	177	164	161	163	162	161
Lumber and wood products	519.1	569.5	570.1	584.7	537	576	576	581	593	605
Furniture and fixtures	437.3	475.8	475.9	480.4	441	467	470	473	476	484
Stone, clay, and glass products	600.5	608.1	595.3	593.2	620	615	616	616	616	612
Primary metal industries	1,238.1	1,152.5	1,155.9	1,152.6	1,248	1,149	1,146	1,158	1,162	1,162
Fabricated metal products	1,339.0	1,350.7	1,347.9	1,356.5	1,357	1,344	1,339	1,344	1,359	1,374
Machinery, except electrical	2,159.0	2,038.4	2,041.3	2,042.2	2,153	2,039	2,032	2,030	2,039	2,036
Electrical equipment	1,778.0	1,785.1	1,782.4	1,788.4	1,785	1,767	1,764	1,773	1,788	1,796
Transportation equipment	1,576.7	1,691.2	1,691.7	1,677.2	1,594	1,641	1,648	1,676	1,711	1,696
Instruments and related products	494.4	495.0	496.1	496.6	497	490	492	494	499	500
Miscellaneous manufacturing	389.4	405.5	398.3	400.2	404	409	409	409	418	415
NONDURABLE GOODS	7,457	7,849	7,775	7,816	7,562	7,832	7,829	7,851	7,901	7,925
Production workers	5,319	5,704	5,638	5,579	5,417	5,687	5,683	5,708	5,747	5,780
Food and kindred products	1,587.0	1,674.7	1,634.2	1,639.8	1,662	1,695	1,688	1,688	1,697	1,717
Tobacco manufactures	77.0	83.7	79.5	75.6	79	79	81	79	80	78
Textile mill products	847.4	957.4	954.8	959.4	849	953	950	955	958	961
Apparel and other textile products	1,188.3	1,295.0	1,284.9	1,308.0	1,188	1,287	1,290	1,299	1,314	1,308
Paper and allied products	640.7	660.5	658.4	662.8	647	652	652	658	664	669
Printing and publishing	1,092.8	1,081.6	1,071.5	1,066.2	1,094	1,071	1,072	1,074	1,072	1,067
Chemicals and allied products	1,015.1	1,016.3	1,017.1	1,021.8	1,024	1,019	1,020	1,018	1,025	1,031
Petroleum and coal products	185.5	200.2	197.3	196.5	191	201	202	201	203	203
Rubber and plastics products, nec.	575.2	608.7	607.3	612.1	579	608	604	608	613	616
Leather and leather products	247.9	271.3	270.3	273.6	249	267	270	271	275	275
SERVICE-PRODUCING	53,685	55,842	54,734	55,002	54,113	54,886	54,917	55,053	55,219	55,441
TRANSPORTATION AND PUBLIC UTILITIES	4,492	4,477	4,436	4,446	4,565	4,476	4,496	4,477	4,490	4,518
WHOLESALE AND RETAIL TRADE	16,493	17,737	17,004	16,908	16,879	17,043	17,010	17,080	17,211	17,308
WHOLESALE TRADE	4,143	4,215	4,186	4,191	4,189	4,180	4,174	4,190	4,211	4,238
RETAIL TRADE	12,350	13,522	12,818	12,717	12,690	12,863	12,836	12,890	13,000	13,070
FINANCE, INSURANCE, AND REAL ESTATE	4,172	4,243	4,226	4,230	4,210	4,246	4,248	4,264	4,269	4,268
SERVICES	13,699	14,158	14,027	14,182	13,865	14,157	14,188	14,229	14,284	14,354
GOVERNMENT	14,829	15,227	15,041	15,236	14,594	14,964	14,975	15,003	14,965	14,993
FEDERAL	2,719	2,771	2,724	2,736	2,735	2,767	2,761	2 755	2,746	2,750
STATE AND LOCAL	12,110	12,456	12,317	12,500	11,861	12,197	12,214	12,248	12,219	12,243

p=preliminary.

Table B-2. Average weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	Feb. 1975	Dec. 1975	Jan. 1976p	Feb. 1976p	Feb. 1975	Oct. 1975	Nov. 1975	Dec. 1975	Jan. 1976p	Feb. 1976p
TOTAL PRIVATE	35.7	36.5	36.1	36.1	36.1	36.2	36.3	36.4	36.6	36.5
MINING	42.0	42.9	42.4	42.7	42.4	42.7	42.9	42.8	42.9	43.1
CONTRACT CONSTRUCTION	35.4	36.7	36.0	36.5	36.8	36.6	36.8	37.3	37.7	37.9
MANUFACTURING	38.5	40.8	39.9	39.9	38.8	39.8	39.9	40.3	40.5	40.3
Overtime hours	2.2	3.1	2.8	2.8	2.4	2.8	2.8	3.0	3.0	3.0
DURABLE GOODS	39.4	41.4	40.3	40.3	39.7	40.0	40.2	40.7	40.9	40.6
Overtime hours	2.3	3.1	2.7	2.7	2.5	2.6	2.7	2.9	2.9	2.9
Ordnance and accessories	41.4	41.9	41.4	41.4	41.3	41.6	41.7	41.3	41.6	41.3
Lumber and wood products	38.1	40.2	39.8	39.9	38.6	39.8	39.4	40.2	40.9	40.4
Furniture and fixtures	35.7	40.1	38.7	38.7	36.4	38.9	39.1	39.5	39.4	39.4
Stone, clay, and glass products	39.5	41.3	40.5	40.6	40.2	40.8	40.9	41.3	41.6	41.3
Primary metal industries	40.1	40.6	40.2	40.2	40.3	39.9	40.2	40.3	40.3	40.4
Fabricated metal products	39.3	41.7	40.5	40.6	39.8	40.4	40.5	41.1	41.1	41.1
Machinery, except electrical	41.2	42.1	41.1	40.9	41.3	40.6	40.9	41.2	41.3	41.0
Electrical equipment	38.9	40.7	39.9	39.6	39.2	39.6	39.6	40.1	40.3	39.9
Transportation equipment	39.0	43.4	40.8	41.2	39.2	40.4	40.8	41.9	41.6	41.4
Instruments and related products	38.8	40.9	40.1	40.3	39.0	39.7	39.9	40.3	40.4	40.5
Miscellaneous manufacturing	37.6	39.4	38.4	38.7	37.8	38.8	38.6	39.2	39.1	38.9
NONDURABLE GOODS	37.3	40.0	39.4	39.3	37.6	39.5	39.5	39.7	39.9	39.7
Overtime hours	2.0	3.2	2.9	2.8	2.2	3.0	3.0	3.2	3.2	3.0
Food and kindred products	39.3	40.9	40.4	39.8	40.0	40.6	40.4	40.5	40.8	40.5
Tobacco manufactures	36.4	38.8	38.6	37.4	37.5	37.5	39.7	37.7	39.1	38.6
Textile mill products	35.8	41.5	40.7	40.6	36.1	41.0	41.0	41.2	41.3	40.9
Apparel and other textile products	33.4	36.5	35.8	35.9	33.6	36.2	36.1	36.6	36.6	36.2
Paper and allied products	40.1	43.3	42.5	42.4	40.6	42.3	42.4	42.9	42.7	42.9
Printing and publishing	36.7	38.1	37.2	37.4	37.1	37.0	37.3	37.6	37.8	37.8
Chemicals and allied products	40.4	42.0	41.4	41.5	40.6	41.4	41.4	41.7	41.6	41.7
Petroleum and coal products	41.1	41.8	42.1	41.7	41.9	41.8	42.0	41.8	42.9	42.5
Rubber and plastics products, nec	38.5	41.0	40.4	40.5	38.8	40.0	40.0	40.6	40.7	40.8
Leather and leather products	35.2	39.1	38.1	38.3	35.4	38.9	38.4	38.7	38.6	38.5
TRANSPORTATION AND PUBLIC UTILITIES	39.4	39.9	39.8	39.7	39.7	39.7	39.6	39.9	40.1	40.0
WHOLESALE AND RETAIL TRADE	33.4	34.2	33.5	33.5	33.9	33.9	33.8	33.9	34.0	34.0
WHOLESALE TRADE	38.3	39.2	38.6	38.5	38.6	38.8	38.7	38.8	38.8	38.8
RETAIL TRADE	31.8	32.7	32.0	32.0	32.3	32.3	32.5	32.4	32.6	32.6
FINANCE, INSURANCE, AND REAL ESTATE	36.8	36.4	36.5	36.7	36.8	36.4	36.7	36.4	36.5	36.7
SERVICES	33.7	33.6	33.6	33.7	33.9	33.7	33.9	33.6	33.8	33.9

[1] Data relate to production workers in mining and manufacturing; to construction workers in contract construction; and to 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 employment on private nonagricultural payrolls.

p=preliminary.

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Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry

Industry	Average hourly earnings				Average weekly earnings			
	Feb. 1975	Dec. 1975	Jan. 1976^{p}	Feb. 1976^{p}	Feb. 1975	Dec. 1975	Jan. 1976^{p}	Feb. 1976^{p}
TOTAL PRIVATE	$4.42	$4.68	$4.72	$4.74	$157.79	$170.82	$170.39	$171.11
Seasonally adjusted	4.43	4.68	4.73	4.75	159.92	170.35	173.12	173.38
MINING	5.74	6.17	6.27	6.32	241.08	264.69	265.85	269.86
CONTRACT CONSTRUCTION	6.99	7.51	7.52	7.47	247.45	275.62	270.72	272.66
MANUFACTURING	4.68	5.00	5.02	5.02	180.18	204.00	200.30	200.30
DURABLE GOODS	4.98	5.38	5.37	5.39	196.21	222.73	216.41	217.22
Ordnance and accessories	5.04	5.54	5.49	5.56	208.66	232.13	227.29	230.18
Lumber and wood products	4.11	4.43	4.46	4.50	156.59	178.09	177.51	179.55
Furniture and fixtures	3.66	3.85	3.86	3.87	130.66	154.39	149.38	149.77
Stone, clay, and glass products	4.69	5.06	5.04	5.06	185.26	208.98	204.12	205.44
Primary metal industries	5.99	6.48	6.50	6.51	240.20	263.09	261.30	261.70
Fabricated metal products	4.84	5.29	5.30	5.31	190.21	220.59	214.65	215.59
Machinery, except electrical	5.21	5.62	5.60	5.63	214.65	236.60	230.16	230.27
Electrical equipment	4.45	4.78	4.77	4.77	173.11	194.55	190.32	188.89
Transportation equipment	5.75	6.39	6.35	6.39	224.25	277.33	259.08	263.27
Instruments and related products	4.46	4.74	4.75	4.77	173.05	193.87	190.48	192.23
Miscellaneous manufacturing	3.73	3.94	3.97	3.97	140.25	155.24	152.45	153.64
NONDURABLE GOODS	4.25	4.48	4.53	4.52	158.53	179.20	178.48	177.64
Food and kindred products	4.45	4.75	4.80	4.80	174.89	194.28	193.92	191.04
Tobacco manufactures	4.49	4.54	4.82	4.80	163.44	176.15	186.05	179.52
Textile mill products	3.30	3.55	3.56	3.56	118.14	147.33	144.89	144.54
Apparel and other textile products	3.13	3.27	3.33	3.33	104.54	119.36	119.21	119.55
Paper and allied products	4.75	5.23	5.24	5.24	190.48	226.46	222.70	222.18
Printing and publishing	5.20	5.50	5.54	5.55	190.84	209.55	206.09	207.57
Chemicals and allied products	5.16	5.61	5.65	5.64	208.46	235.62	233.91	234.06
Petroleum and coal products	6.11	6.67	6.96	6.96	251.12	278.81	293.02	290.23
Rubber and plastics products, nec	4.22	4.51	4.50	4.51	162.47	184.91	181.80	182.66
Leather and leather products	3.18	3.31	3.37	3.38	111.94	129.42	128.40	129.45
TRANSPORTATION AND PUBLIC UTILITIES	5.70	6.18	6.22	6.24	224.58	246.58	247.56	247.73
WHOLESALE AND RETAIL TRADE	3.68	3.81	3.91	3.92	122.91	130.30	130.99	131.32
WHOLESALE TRADE	4.79	5.03	5.07	5.08	183.46	197.18	195.70	195.58
RETAIL TRADE	3.27	3.40	3.49	3.49	103.99	111.18	111.68	111.68
FINANCE, INSURANCE, AND REAL ESTATE	4.05	4.23	4.28	4.36	149.04	153.97	156.22	160.01
SERVICES	3.99	4.23	4.26	4.28	134.46	142.13	143.14	144.24

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[1] See footnote 1, table B-2.

p=preliminary.

Table B-4. Hourly earnings index for production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry division, seasonally adjusted

[1967=100]

Industry	Feb. 1975	Sept. 1975	Oct. 1975	Nov. 1975	Dec. 1975	Jan.P 1976	Feb.P 1976	Percent change from Feb. 1975-Feb. 1976	Percent change from Jan. 1976-Feb. 1976
TOTAL PRIVATE NONFARM:									
Current dollars	167.8	175.2	176.7	178.2	178.6	179.8	180.7	7.7	0.5
Constant (1967) dollars	106.7	107.2	107.4r	107.7r	107.3	107.6	N.A.	(2)	(3)
MINING	177.6	187.2	188.9	189.4	190.2	192.3	195.1	9.8	1.4
CONTRACT CONSTRUCTION	168.8	177.3	177.7	179.2	180.3	181.0	180.2	6.7	-.4
MANUFACTURING	166.1	174.5	176.0	176.9	177.6	178.7	179.6	8.1	.5
TRANSPORTATION AND PUBLIC UTILITIES	175.6	186.3	188.8	190.7	190.5	191.5	192.3	9.5	.4
WHOLESALE AND RETAIL TRADE	164.1	170.5	171.9	172.9	172.4	174.9	175.0	6.6	.1
FINANCE, INSURANCE, AND REAL ESTATE	157.3	162.6	163.8	167.1	165.1	166.8	169.5	7.7	1.6
SERVICES	172.1	177.8	179.4	182.2	182.6	184.5	184.7	7.3	.1

[1] See footnote 1, table B-2.

[2] Percent change was 1.3 from January 1975 to January 1976, the latest month available.

[3] Percent change was 0.3 from December 1975 to January 1976, the latest month available.

N.A. = not available.

p=preliminary. r = revised

NOTE: All series are in current dollars except where indicated. The index excludes effects of two types of changes that are unrelated to underlying wage-rate developments: Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries.

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry, seasonally adjusted

[1967 = 100]

Industry division and group	1975 Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1976 Jan.P	Feb.P
TOTAL	107.0	105.9	106.0	106.3	106.0	106.2	107.4	107.9	108.4	108.8	109.3	110.5	110.8
GOODS-PRODUCING	90.7	88.4	89.2	89.4	88.9	89.3	91.2	92.4	92.7	92.9	94.3	95.5	95.3
MINING	116.7	115.9	113.7	119.4	118.4	118.8	118.6	119.9	125.0	124.7	125.7	124.3	124.4
CONTRACT CONSTRUCTION	104.1	94.5	99.0	99.3	94.9	96.2	98.3	98.6	97.3	97.7	98.8	100.5	98.9
MANUFACTURING	87.4	86.4	86.6	86.6	86.8	87.1	89.0	90.3	90.8	90.9	92.5	93.7	93.7
DURABLE GOODS	87.9	86.6	86.5	85.4	85.2	84.9	86.7	87.7	87.8	88.1	90.0	91.3	91.2
Ordnance and accessories	48.3	47.7	47.7	47.5	46.9	44.7	43.7	43.0	42.9	40.8	41.5	41.8	41.5
Lumber and wood products	82.3	81.6	82.5	84.4	85.8	86.7	88.8	90.1	92.1	90.8	93.4	97.4	98.1
Furniture and fixtures	85.1	83.9	85.8	87.7	87.2	88.7	92.6	97.4	97.9	99.2	101.0	101.5	103.3
Stone, clay, and glass products	94.1	91.2	92.6	92.6	92.4	93.1	94.5	95.7	95.7	96.2	97.1	98.0	96.7
Primary metal industries	90.6	87.3	84.1	82.1	80.8	80.0	81.7	83.5	81.9	82.3	83.6	83.8	84.0
Fabricated metal products	92.1	90.2	90.1	89.0	88.5	86.7	90.9	92.0	92.8	92.7	94.6	95.8	97.3
Machinery, except electrical	100.8	98.3	96.6	93.1	91.3	90.4	91.0	91.8	91.9	92.0	92.5	93.4	92.5
Electrical equipment and supplies	85.3	84.3	83.3	81.9	81.8	81.6	84.3	84.9	85.8	85.5	87.5	89.1	88.9
Transportation equipment	75.1	77.3	80.4	80.2	81.4	82.0	82.9	82.2	81.5	83.1	87.3	89.0	87.9
Instruments and related products	100.7	98.3	98.2	97.1	97.0	98.1	97.2	99.4	100.8	101.7	103.4	105.0	105.6
Miscellaneous manufacturing, Ind.	87.3	85.6	86.0	86.5	87.0	87.7	89.0	91.4	91.3	90.8	91.7	94.1	93.3
NONDURABLE GOODS	86.7	86.0	86.7	88.2	89.1	90.2	92.4	94.1	95.1	95.0	96.2	97.1	97.2
Food and kindred products	92.5	92.6	92.4	92.9	93.1	93.4	96.1	96.9	96.5	95.1	95.4	97.0	98.0
Tobacco manufactures	86.9	86.7	83.4	80.3	86.7	80.8	85.8	88.1	85.6	93.4	87.4	90.6	88.1
Textile mill products	75.8	77.2	80.8	85.7	87.0	88.5	93.0	96.4	98.1	98.0	99.1	99.3	98.8
Apparel and other textile products	76.9	76.5	78.5	79.8	82.4	84.6	85.3	87.8	90.0	90.1	92.1	93.2	92.1
Paper and allied products	87.4	85.3	84.5	85.7	86.4	87.6	89.6	91.7	92.0	92.6	94.7	95.0	96.2
Printing and publishing	94.9	93.9	92.6	92.0	91.2	90.9	92.4	91.9	91.8	92.4	93.5	94.0	93.2
Chemicals and allied products	95.0	92.4	91.4	92.7	92.6	93.0	94.5	96.1	97.4	97.6	98.1	98.4	99.3
Petroleum and coal products	100.2	104.0	101.4	104.4	105.3	107.2	107.3	108.9	110.2	111.6	111.1	114.9	114.7
Rubber and plastics products, nec	104.2	100.4	102.1	105.1	105.1	106.9	110.6	113.0	114.7	113.5	116.2	117.7	119.0
Leather and leather products	64.4	63.0	65.8	66.8	69.6	71.4	72.1	74.9	77.2	77.2	78.1	78.9	79.4
SERVICE-PRODUCING	118.4	118.1	117.6	118.0	117.8	118.0	118.7	118.7	119.3	119.8	119.7	120.9	121.5
TRANSPORTATION AND PUBLIC UTILITIES	103.5	102.1	102.3	100.3	100.6	100.3	100.5	101.1	101.2	101.5	101.7	102.7	103.2
WHOLESALE AND RETAIL TRADE	113.7	113.9	113.4	113.9	113.7	114.0	114.6	114.6	115.1	115.2	115.5	116.9	117.5
WHOLESALE TRADE	112.1	111.6	111.5	111.4	110.3	110.8	111.0	111.3	112.0	111.5	112.3	113.1	113.8
RETAIL TRADE	114.2	114.8	114.0	114.8	115.0	115.2	115.9	115.8	116.2	116.6	116.6	118.3	118.8
FINANCE, INSURANCE, AND REAL ESTATE	121.5	123.6	122.1	122.9	123.2	122.3	122.9	123.5	123.7	125.1	124.5	125.1	125.8
SERVICES	129.9	129.6	129.3	130.3	129.9	130.4	131.4	131.1	132.0	133.1	132.3	133.4	134.3

[1] See footnote 1, table B-2.

p=preliminary.

Table B-6. Indexes of diffusion: Percent of industries in which employment[1] increased

Year and month	Over 1-month span	Over 3-month span	Over 6-month span	Over 12-month span
1973				
January	76.7	84.0	81.7	81.1
February	75.0	83.7	79.4	80.8
March	73.8	76.2	79.4	82.6
April	62.5	71.5	74.7	81.4
May	59.9	70.3	72.1	79.7
June	68.0	63.1	66.6	78.5
July	55.8	66.9	72.1	75.6
August	63.1	64.8	72.7	73.5
September	61.6	74.7	73.0	69.2
October	72.7	75.9	75.6	66.0
November	75.0	76.5	70.3	66.6
December	66.6	70.1	66.0	64.2
1974				
January	59.3	62.8	60.8	63.4
February	52.6	53.8	55.2	59.6
March	46.5	48.0	49.7	55.2
April	47.1	48.3	48.5	50.3
May	55.2	51.7	49.7	40.1
June	53.2	52.6	45.6	28.2
July	52.3	45.1	37.2	27.0
August	45.9	39.2	31.1	22.4
September	36.0	40.4	23.3	20.9
October	37.8	28.8	17.7	18.6
November	20.1	21.5	17.2	16.6
December	18.6	13.4	13.1	14.0
1975				
January	18.6	12.5	13.4	16.6
February	16.6	13.7	13.1	17.4
March	25.0	19.2	16.3	17.4
April	40.4	35.8	27.9	20.9
May	53.8	40.4	40.1	25.9
June	40.4	48.5	60.8	40.4
July	55.2	55.8	67.4	50.6p
August	73.5	80.2	67.4	61.3p
September	81.7	81.4	76.5	
October	64.8	70.3	80.2p	
November	54.7	68.9	78.8p	
December	66.6	69.5p		
1976				
January	74.4p	78.8p		
February	64.2p			
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

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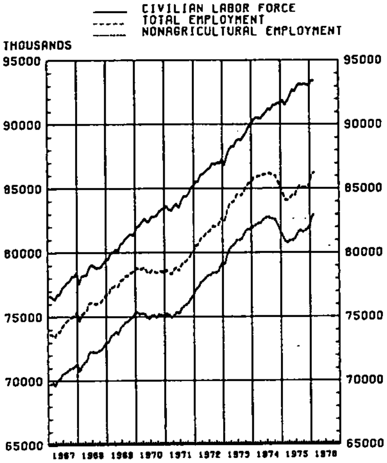
[1] Number of employees, seasonally adjusted, on payrolls of 172 private nonagricultural industries.

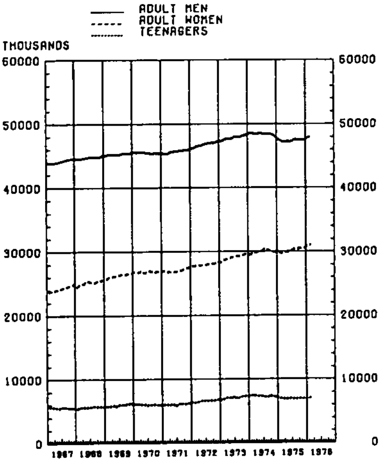
p = preliminary.

LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

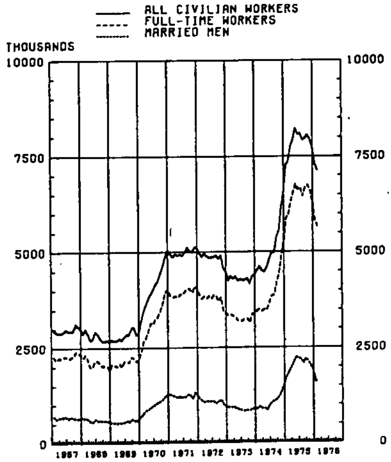
1. LABOR FORCE AND EMPLOYMENT



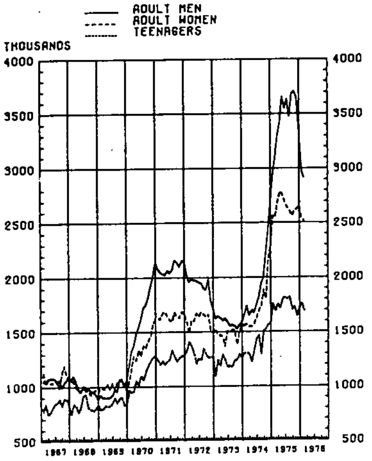
2. TOTAL EMPLOYMENT



3. UNEMPLOYMENT

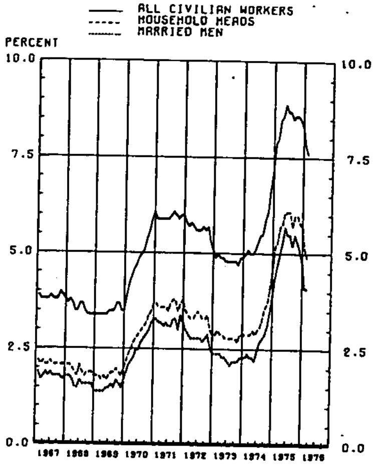


4. UNEMPLOYMENT

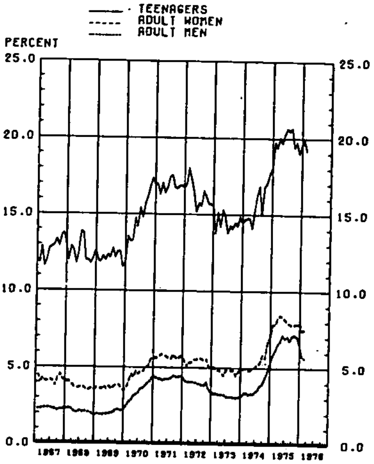


UNEMPLOYMENT RATES
HOUSEHOLD DATA - SEASONALLY ADJUSTED

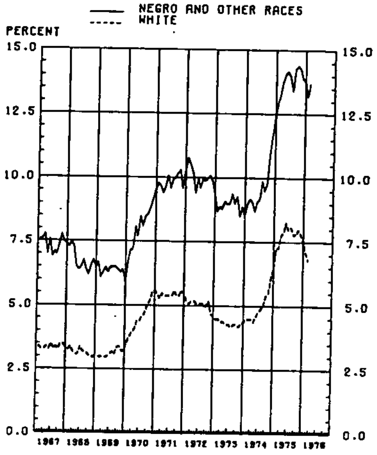
5. UNEMPLOYMENT RATES



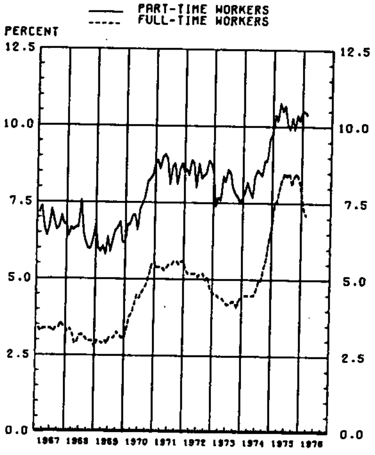
6. UNEMPLOYMENT RATES



7. UNEMPLOYMENT RATES

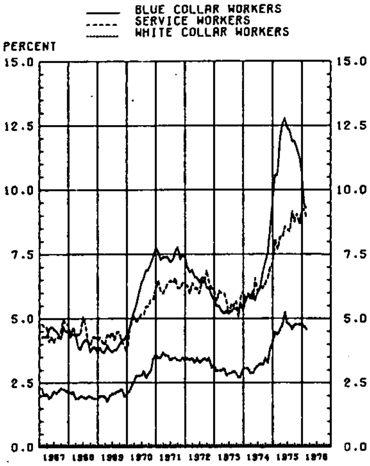


8. UNEMPLOYMENT RATES

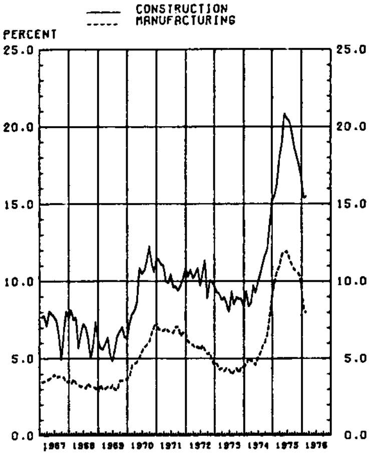


UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

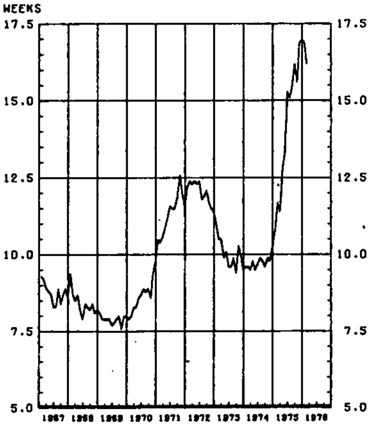
9. UNEMPLOYMENT RATES



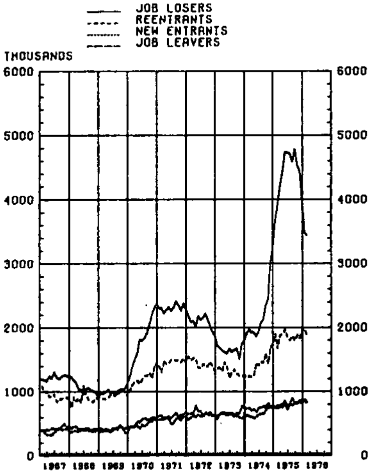
10. UNEMPLOYMENT RATES



11. AVERAGE DURATION
OF UNEMPLOYMENT

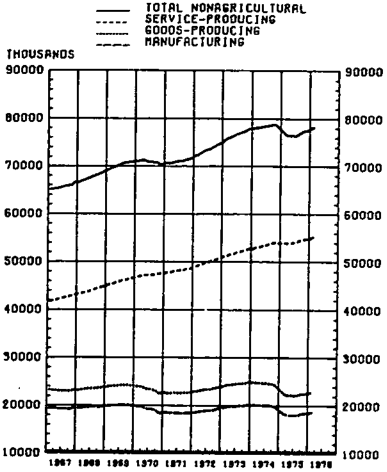


12. UNEMPLOYMENT BY REASON

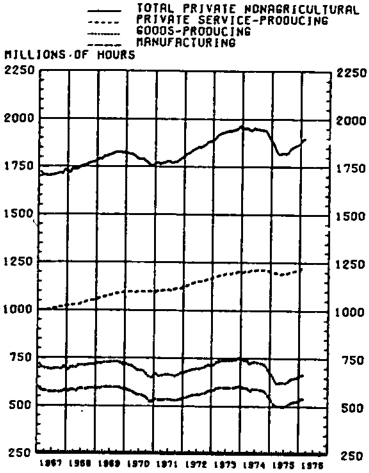


NONAGRICULTURAL EMPLOYMENT AND HOURS
ESTABLISHMENT DATA - SEASONALLY ADJUSTED

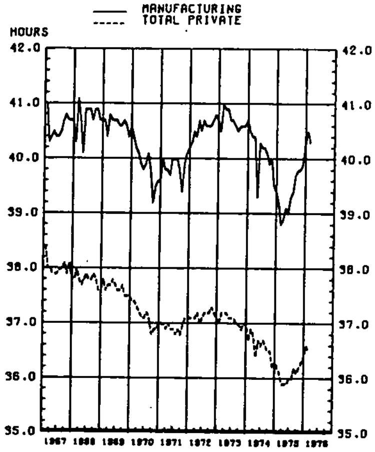
13. EMPLOYMENT



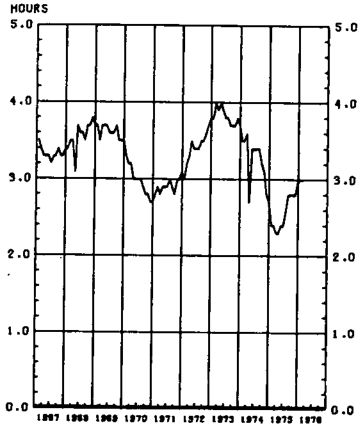
14. HOURS



15. AVERAGE WEEKLY HOURS



16. AVERAGE WEEKLY OVERTIME HOURS IN MANUFACTURING



NOTE: Charts 14 and 15 relate to production or nonsupervisory workers; chart 16 relates to production workers. Data for the 2 most recent months are preliminary in charts 13-16.

Mr. SHISKIN. Mr. Chairman, do you want to return to the question you raised on seasonal adjustments or do you wish to ask something else?

Chairman HUMPHREY. Just a brief comment on that.

Mr. SHISKIN. OK. Let me first of all give you the exact answer to your question. If we had used last year's seasonal factors, we would as you said, have 8 percent in January and 7.8 for February. Let me go on to say that I don't think that is a useful thing to do. The reason that we updated the figure is because we have more current information. And it seems unwise to me to be using old factors. Now, you might go back and use 1973 factors or 1971 factors, or 1954 factors. And if we do that, you are going to find some factors that will give you higher rates and other factors that will give you lower rates. We have a very solid methodology and I think we ought to stick with it, and that is what we are doing.

There is one way which theoretically we could be even more up to date than the method we are using at present. We run these seasonal adjustments through the end of the year. An alternative, which I have considered for many, many years—when I first developed the seasonal adjusted method, which is known as X-11, and I did that in the Census Bureau more than 10 years ago—would be to update the seasonal factors every month instead of once a year. And I think that is the best way to do it, theoretically, but it is a big job. There are hundreds and hundreds of series to do and we couldn't really do it every month. However, in view of the flack we have gotten about seasonal adjustments in the last few months—and I have given about five speeches on it in the last month and after every one of them, without exception, during the question and answer period, Mr. Chairman, questions were raised about the seasonal adjustments—so in view of that flack, what we did was to run the adjustment through February. The results indicate that when we ran the seasonal adjustments, using our standard method, our present official method, through February, the rate for January turned out to be 7.7 and the rate for February turned out to be 7.6. So that leads me to conclude on the seasonal point that it is likely that our official seasonally adjusted January figure was not too high, but possibly too low.

Chairman HUMPHREY. Mr. Shiskin——

Mr. SHISKIN. I am sorry, I meant it was not too low, but possibly too high.

Chairman HUMPHREY. I understood that. That was about 1/10th percent.

Mr. SHISKIN. But I don't take that very seriously. What this calculation did for me is to confirm the reasonableness of the seasonal adjustment method through February. Now, again, I want to reserve a final judgment for a few months because the seasonal factors will call for bigger drops in unemployment in the next few months. That will put the method under a greater test than between January and February, when the factors tend to be stable.

Chairman HUMPHREY. Well, I am one who believes that you should constantly refine your methodology. And my comment about the difference of the old seasonal adjustment technique and the new was only to get the record clear so that we could eliminate all of this controversy about it.

Mr. SHISKIN. Fine.

Chairman HUMPHREY. The Joint Economic Committee has been holding hearings around the country. I work very closely with the mayors of our major cities. It has been sort of a life-time work with me, since the day I was mayor of Minneapolis. I am very closely associated with the U.S. Conference of Mayors, the National League of Cities, and the National Association of County Officials. And I see them in large numbers. They come to me with their problems and with their concerns, particularly of late, Mr. Shiskin, on fiscal matters, their tax base, their revenue losses, their budget problems. And of course it all boils down to what is happening in the economy and in the cities.

Now what triggered me, of course, was something that was even more local. I just picked up our Minneapolis and St. Paul papers here the other day, and I noticed that there was an increase of 30,000 unemployed since January in the State of Minnesota. We have a more stable economy in Minnesota than in many other States. We don't have the wide fluctuations that exist in other States. We don't go as high on some things nor as low on others. The economy in Minnesota remains fairly steady.

I have gone to other communities like Boston or New York. Last night I was up in Binghamton, N.Y. The headline in the Binghamton newspaper this morning is "Increase in Unemployment." They don't know how or why, because there have not been any big layoffs, but apparently it is just some attrition taking place in industry. What bothers me about whatever the figure is, whether the national average is 7.8 or 7.6 or 6.3 is that these highly populated areas—and I am not talking metropolitan areas, because that is misleading—but in core cities, but in the cities with their traditional lines of jurisdiction, there are terrifically high rates of unemployment. Now, I notice in your statement, of course, that there has been no drop in black unemployment or teenage. They are hanging right in there. They are just about the same as they were 1 year ago. The rate for blacks and other races has shown little change. In February it was 13.7. Senator Javits indicated the same thing is true on the teenage——

Senator PROXMIRE. Would the Senator yield at that point?

Chairman HUMPHREY. Yes.

Senator PROXMIRE. What disturbs me is, this is a seasonally adjusted table you have on page 2 of the press release, and it shows an increase in black unemployment from 13.2 percent to 137 percent. That is an increase, which I would think would be statistically significant, because that is a substantial increase. It is half a percent.

Mr. SHISKIN. Sir, you know I take a dim view of measures of statistical significance of month-to-month economic series, but since you raise the point, it is not statistically significant.

Chairman HUMPHREY. I think the correction here is most helpful to us. So here is what I find troublesome, and I would appreciate your giving me a helpful explanation, because I have a responsibility here. I have points of view here, but I don't want to get myself in the posture of disputing statistical evidence, if it is accurately compiled.

How come we can have high rates of unemployment, like in Los Angeles of 12 or 13 percent—that is the last time I was out there in January—and in New York City, 12 percent——

Senator Javits. 12.2 percent.

Chairman Humphrey. In Boston it is 12.5; in Providence and the whole State of Rhode Island it is 12.8 the last I heard; in Phoenix it is over 10 percent.

Mr. Shiskin. Senator, for what month?

Chairman Humphrey. Well, just recently. I mean, it was within the last month or so, the last couple of months. It doesn't change dramatically from month to month. In Detroit it is 15 percent or more. The mayor of Detroit was here and I think he said it was 18 percent. Now all of these cities, which represent millions and millions of people and working populations, add up to an average of over 10 percent.

Where is the drawdown on that huge average? Because many of our industrial workers or potential industrial workers and service workers are in these huge metropolitan areas. This is what disturbs me.

Mr. Shiskin. Sir, I am glad to have an opportunity to comment on that. That is a very, very important question. It is one I believe we have to cope with because the BLS is responsible for issuing the local area unemployment estimates upon which the CETA allocations are based. The OMB recently issued a circular, Circular A–46, which clearly places that responsibility on us and instructs the other Federal agencies—and let me emphasize "Federal" agencies—to use no other estimates except the ones we issue for their allocations. So this is a very, very important matter to us. And it is with a sense of responsibility that I will offer you a few comments on this very important question.

First of all, I will make the obvious comment that the figures that I cite mostly, the 7.8 or 7.6, are national averages. There is a lot of variation about averages. You commented on the high rate of unemployment for blacks. If you look at teenage blacks, the figure is much higher.

So you do get a tremendous amount of variation around these averages. Now, second, if those figures are January figures—and I don't know whether they are or not—you have to bear in mind that on the average there is a 20 percent increase in the amount of unemployment in January. What happens in January is that a great many people who were hired for the Christmas work in retail stores, get laid off. So when we make our seasonal adjustment for January, it is a big seasonal adjustment. The figures you are citing, Senator, are probably not seasonally adjusted.

Chairman Humphrey. That could be, but mayors, when they come to talk to me, don't understand seasonal adjustment. They say: "Senator, you people are looking at figures that have no meaning to me at all."

Mr. Shiskin. I know it is hard to caution patience on his part, but there are seasonal low months, as well as high months, and there will be months when the figures will be much lower because of seasonal factors.

Chairman Humphrey. Not for these mayors. They come in and say they have not had much improvement over the last few months.

Mr. Shiskin. But, let me go on.

Chairman Humphrey. But I understand what you are getting at here.

Mr. SHISKIN. Well, that is a problem, but I don't know whether you have January figures. I mean, December happens to be a low month. And if you are citing December figures, then when you get the January figures, they will be even higher in most places.

Let me make one other comment about the variation of the averages, then I want to be even more basic. While you were in these cities, Senator, I was in Dallas. That is a fine place to go to for me, because the unemployment rate is very low. It is about 5 percent.

Chairman HUMPHREY. That is a good place for you, then.

Mr. SHISKIN. So I went to Dallas. By the way, I recommend it. They also had an 85 degree temperature when I was there. There was sunshine all the time.

Chairman HUMPHREY. Maybe that is why the unemployment rate is low.

Mr. SHISKIN. Let me come to a more basic point. You know the figures that you are citing are released by the States. We have had a very serious problem in bringing consistency and accuracy to the state figures, for purposes of the CETA allocations. And as I pointed out a few moments ago, we now clearly have that responsibility. We have been investigating the figures for the States and we know there is a great deal of work to do to be able to make them accurate. Last year, as the supplemental benefits went into effect, they went off the mark in their estimates of unemployment. Because the 1975 CPS benchmark data were not available where the State agencies prepared the estimates, using procedures which BLS prescribes, their figures are too high. The figures that the States have prepared are 6 percent too high compared to our national benchmark—the CPS (current population survey).

The unemployment estimates for the 50 States combined exceed the national CPS estimates by about 6 percent. In accordance with the responsibility we have for the allocation program, Mr. Chairman, we are in the process of revising these figures and we will issue a revised set of figures at the end of March or in April, which will reduce most of the State and city figures substantially.

Chairman HUMPHREY. Is that 6 percent above the 7.6 or is that 6 percent of it?

Mr. SHISKIN. Above.

Chairman HUMPHREY. So it would be 13 percent?

Mr. SHISKIN. No, 6 percent above it.

Chairman HUMPHREY. So it would be approximately another half a percentage point?

Mr. SHISKIN. Yes. But on the other hand, you have to bear in mind that you have cited to me what I believe are the worst instances. Obviously, there are other places that average it out. But again, we will be coming out with a set of tables early in April, which the employment and training administration will use for the allocations, and they will reduce the unemployment figures for most States. That will stir up a lot of discussion, as you can readily understand. Anybody who cannot stand the heat should really not get into issuing unemployment figures. I can tell them that. We know this is coming and we know there will be a lot of discussions, but that is the way it will come out in a few weeks.

Chairman HUMPHREY. Mr. Javits.

Senator JAVITS. Mr. Chairman, I shall be very brief.

First, we admire enormously your expertise and the objective way with which you bring us these figures.

Mr. SHISKIN. Thank you.

Senator JAVITS. And knowing, as I have, your predecessor in this great office, I can appreciate the great tradition you are continuing.

Mr. SHISKIN. Thank you, sir.

Senator JAVITS. I noticed a puzzling comment. Please reconcile it for us. If you look in your own report before us, turn to the second paragraph of the first page where it states: "A large part of this recovery has been among adult women, as employment of adult men was still nearly 700,000 below its high point." Now what was that high point?

Mr. SHISKIN. Do you have those figures, Debby? Senator, while Mrs. Klein is looking up that figure, I would like to call to your attention and the attention of the members of the committee, to a very important phenomenon that is taking place here in this country. I commented on it earlier, and I brought some very interesting figures with me today. Do you have them, Debby?

Would you pass the table up to the members of the committee, please? Mrs. Klein will give you that figure in a minute, but this pause will give me the opportunity of calling to your attention a major development that has taken place in this country. It has been taking place for many years, but it seems to be accelerating; that is, the increasing participation on the part of women of almost all ages at the same time that the participation rates of almost all male-aged groups is declining. Now, do you have that table?

Senator JAVITS. The table is right here. We will place it in the record.

[The table referred to follows:]

CIVILIAN LABOR FORCE PARTICIPATION RATES OF ADULT WORKERS, OCTOBER 1975 TO FEBRUARY 1976 (SEASONALLY ADJUSTED)

Age group	October 1975	November 1975	December 1975	January 1976	February 1976	Change October to February
Adult men, 20 years and over	80.4	80.2	79.7	79.5	79.4	−1.0
20 to 24 years	84.4	83.4	84.0	84.0	85.0	+.6
25 to 34 years	96.0	95.6	94.9	94.6	94.7	−1.3
35 to 44 years	95.9	95.9	95.3	95.1	94.9	−1.0
45 to 54 years	93.1	92.3	92.2	91.7	91.3	−1.8
55 to 64 years	75.5	75.2	74.8	74.5	73.6	−1.9
65 years and over	20.7	21.0	20.8	20.9	20.8	+.1
Adult women, 20 years and over	46.1	46.1	46.2	46.6	46.5	+.4
20 to 24 years	63.6	63.7	64.2	64.2	63.9	+.3
25 to 34 years	55.2	55.0	55.0	56.0	55.5	+.3
35 to 44 years	56.2	56.1	56.5	56.7	57.4	+1.2
45 to 54 years	55.0	54.3	54.6	54.9	54.8	−.2
55 to 64 years	41.2	41.1	41.4	41.2	41.8	+.6
65 years and over	8.3	8.2	8.4	8.7	8.7	+.4

Source: U.S. Department of Labor, Bureau of Labor Statistics, Mar. 5, 1976.

Mr. SHISKIN. Well, let me comment briefly on that. This table shows the continuation of previous trends. And what it indicates is that in the last 4 months alone, the percent of adult men who are in the labor force, either employed or looking for work, Senator, has dropped by 1 percent. That is a very big drop. Now, it wasn't confined to older men at all. In the 25- to 34-year-old age group, there was a drop of 1.3 percent; in the 35–44 year age bracket, 1.0 percent; 45–54, 1.8 percent; 55–64, 1.9 percent; 65 and over, for that group it has been fairly stable. The important point is apparently the participation rate of men of nearly all age groups has been declining significantly. On the other hand, the increased participation rate of women has been continuing. That is a fairly important phenomenon that has taken place in this country. It has very serious implications. I am sure we have not absorbed them all.

But, I call to your attention that fact and it seems to relate to your comments.

Senator JAVITS. It is very relevant, and maybe we need to enforce the law for discrimation in sex in favor of men now. We passed it for women——

Mr. SHISKIN. I have no comment.

Chairman HUMPHREY. Wouldn't you like to comment on that?

Mr. SHISKIN. Sir, I am willing to say this. When I look at these figures, I sometimes ask myself, why don't I drop out and let my wife work, but it is too much fun coming to this committee. That is the answer.

Senator JAVITS. Commissioner, I think it would be very helpful to us if these percentages were accompanied by numbers. People understand the impact of people, but it is pretty hard to understand what a diminution of 1 percent means.

Mr. SHISKIN. Well, we do have the numbers. You asked for numbers?

Senator JAVITS. A diminution of 1 percent in the employment of adult men in the change from October to February.

Mr. SHISKIN. Well, it is in our release. That figure is in our release in table A–1.

Senator JAVITS. Well, what is it?

Mrs. KLEIN. I am not sure what change you are asking for.

Senator JAVITS. Well, you've got on this chart "Change: October–February, 1 percent." How many men is that? What is diminution in the labor force of men? How many?

Mrs. KLEIN. There were 310,000 fewer men in the labor force in February than in October 1975. Also, in answer to your earlier question, the high point in employed males was 48.7 million, and that was in January of 1974.

Senator JAVITS. January of 1974? All right. And now it is 700,000 below that?

Mrs. KLEIN. That is right.

Senator JAVITS. And there has been a population increase in that interim?

Mr. SHISKIN. That is right.

Senator JAVITS. Now, the other thing I want you to do is to juxtapose that statement with the statement on the next page of the release in which you say, at the beginning of the first paragraph: "The decline in joblessness since October has occurred primarily among adult men." So the catchup is faster, I gather?

Mr. SHISKIN. Right.

Senator JAVITS. But, nonetheless, the participation of adult males in the labor force has decreased?

Mr. SHISKIN. Right.

Senator JAVITS. I am very serious about what I said about the 1964 statute. It may very well be that for whatever reasons—it may be differences in wage compensation or expectation of promotion or the very reasons which women complain about, and properly so (and we have sought to correct them)—that there is a tendency now to hire women where you could hire men. If that is a constructive conclusion, Mr. Shiskin, I think we ought to keep aware of the situation.

Mr. Shiskin. Well, sir, we provide the information. If I may say so, you are the ones to make the policy.

Senator Javits. Now, I am very interested in the teenage figure, which, if anything, is rising rather than falling. It has gone from the high point of the third quarter of 1975 of 20.2 percent, which means something in the area of 1.8 million teenagers, and the rate is falling very, very slowly. February, of course, is 1 percentage point better, but the black teenage figure is nearly twice and almost three times that of the adult men. Now, my question.

Is there any way of ascertaining whether the agitation about the minimum wage has any material effect on that figure? I serve on both this committee and the Labor Committee. We deal with the minimum wage. The trade unions have been adamant that the minimum wage has got to be the same for everybody, especially in the teenage field.

I am very prounion, as everybody knows, and my colleagues are, too. But, we are fairly objective about this. And I think if you could find any statistical way of demonstrating to us that it does make a difference as to whether a special concession can be made with respect to the minimum wage, I think it would be a very important thing we would like to know.

Mr. Shiskin. Sir, as you have heard many times, there are no good data on the minimum wage at the present time. The studies are very limited and there are very few of them. However, as part of the most recent legislation, we have undertaken substantial studies of exemptions from the minimum wage law. Hopefully, that will help enlighten you on this issue.

Senator Javits. When do you think we will have the results?

Mr. Shiskin. Well, I don't know. The study is going to extend over a 2-year period and it is not as comprehensive as I am sure you would want it. Well, I really cannot answer that, but I will put the answer in the record.

Senator Javits. Would you also put in the record what we can do to shorten the time of the study? After all, we don't need the whole study but only the section on minimum wage. What we in the Labor Committee want would be the specific evidence on the question of what kind of a dent you can make in the unbelievably severe youth unemployment. Then, Mr. Shiskin, we will decide what, if anything, should be done.

Mr. Shiskin. We will give you a description of that statistical program. I am not as close to that as to some of the other programs.

[The following information was subsequently supplied for the record:]

For the record, the Department of Labor has, over the past several years, commissioned reputable economists to study the relationship between teenage employment and minimum wages and these studies have been summarized in the annual reports to the Congress by the Secretary of Labor. No new data on the impact of minimum wages on employment of teenagers are now being collected. The emphasis of our current work for the Department is directed to examining the exemptions to general F.L.S.A. standards as we are directed to do under the latest amendments.

Chairman Humphrey. May I ask the Senator to yield? I have just one observation. With regard to the 1 percent drop in the male adult employment, there was some reference to the fact that possibly women are taking comparable jobs, but are not getting comparable pay. That is a possibility. And if that is a factor, then if you look at the teenage unemployment where teenagers are not getting jobs because of the minimum wage, if this is true, and we have evidence yet to prove it, then you've got two factors here that are causing very serious unemployment problems. If there is any evidence to support either one, we would appreciate it.

Mr. SHISKIN. Sir, may I add another point to this discussion on the question of teenagers unemployed. There has been considerable interest, especially in the last year, in another measure which gets at another side of this problem, and that measure is the employment population ratio. This is the percent of persons who are employed in a given population group. I will be adding that measure to my statement each month, because we get many requests for it. And this is a convenient way of providing the information.

If you will look on table 2, attached to my statement, you will see, for example, that for teenagers, Senator, the employment-population ratio is 43—well, in the fourth quarter of 1975 it was 43.0. In January it was 43.6 and in February it was 43.7. Now that means that in recent months the unemployment rate for teenagers has gone down, but more of them are also employed. There are not only more employed, but more are employed as a percentage of the population. So what seems to be happening is that there are more teenagers entering the labor market. And with more teenagers entering the market, many of them get jobs so that more are employed, but many of them do not get jobs. So I think you've got to look at both sides of this, and not the unemployment side alone, to see the whole spectrum of teenage employment and unemployment.

Now that is not to say that I don't consider that the unemployment of teenagers is deplorable. I certainly do believe that. I have said that many, many times. But you do want to also bear in mind that we are employing more and more during this recovery period.

Chairman HUMPHREY. Senator Proxmire?

Senator PROXMIRE. Mr. Shiskin, as you know, I greatly admire you and have great respect for your integrity.

Mr. SHISKIN. The feeling is mutual.

Senator PROXMIRE. Well, thank you, sir. Your integrity is of the greatest importance in the job you serve in. I say that because I am very concerned with some recent developments that I think go right to the heart of the purpose for these hearings. As you know, they go back for more than 3 years when the Commissioner has come up every single month. It has now been 36 times in a row. I am very concerned with what happened at the last meeting, however. I was not fully aware of this when you and I discussed it in my office.

When you testified before the committee last month, you assured the committee that under the old seasonal adjustment method, the unemployment rate for January would have been 7.8 percent, the same as under the new method. But, since then, you have given interviews to Business Week and a speech at the Economists' Club where you said that under former seasonal adjustment rates, the rate would have been 8 percent in January, rather than the 7.8 percent that the BLS reported. Of course, the reason for these hearings is so that the press and the public, as well as the committee, can be informed on the most accurate estimates and informed as to precisely what the economic situation really is. So this does trouble me somewhat.

And let me just finish by pointing out why this is particularly a matter of concern. In a most revealing and troubling article, which I don't think has been picked up very much around the country, but should have been, in Business Week dated February 19, they made these observations:

> Revisions in Government data continue to run in President Ford's favor. From the standpoint of an incumbent administration, a downward revision of data for a previous period's data is a blessing, while an upward revision is a curse. This is simply because downward revisions provide a favorable sequence from a public relations point of view.

Then they take a very damaging situation. They say:

> In the case of retail sales, for example, the Government first reported a strong gain in November making that month look good, when the numbers originally came out and favorable to the administration. But the November numbers were then revised down on the same day that the December data came out, which made Christmas sales look good. Then December was revised down on the day the January figures came out, making last month's decline in retail sales look relatively small.

Now, the revisions in GNP data are sequencing well for President Ford. Today the Commerce Department reported a downward revision for the fourth quarter real GNP to a 4.9 percent real growth rate from the 5.4 percent real growth rate originally reported 30 days ago. If the revisions hold, it will obviously give an upward fillip to the first quarter's data that will be reported about April 20, simply because the gain will come off a lower fourth quarter figure.

Now, we are getting not exactly the same kind of a revision, but a statement before this committee as to the way unemployment figures would have been reported if we had used the old method and you adjusted it downward to a later date, making any report that comes in, Mr. Shiskin, now look that much better.

Mr. SHISKIN. Senator, I am very anxious for you to understand this. That was why I called you and visited you.

Senator PROXMIRE. Yes.

Mr. SHISKIN. And apparently I did not explain this adequately at that time, but let me make a very vigorous effort to do so right now. Let me start off by saying the statements I made last time were right. They were completely right.

Senator PROXMIRE. Well, weren't they contradicted by your interview with Business Week?

Mr. SHISKIN. No, sir, they were not. The statements I made were exactly right. Let me explain why. Please turn to table 1, which is attached to my statement.

Do you have that?

Senator PROXMIRE. Yes.

Mr. SHISKIN. Now, here is what I explained to you at the committee a month ago. We have updated our seasonal factors and we made a modification in the method. Now those results are shown in column 2. And the figure for January was 7.8. OK?

Senator PROXMIRE. OK.

Mr. SHISKIN. Now, if we had not modified the method at all and just had gone straight ahead with the old method, we would have had column 3, and that is also 7.8. So the figures are identical.

Now, I am going to get to the other figure in a minute.

Senator PROXMIRE. But they would not have been identical if you left out the 1975 seasonal factoring, isn't that right?

Mr. SHISKIN. Well, let me come to that. That is correct. So the question I had answered at that time was, what was the impact of the change in methodology on the January figure? I said it was nil, it was nothing. There is the evidence for it.

Now you also asked me another, different question. You asked, suppose we had used the old factors; suppose we had not updated and we had not changed? Now, as I said to Senator Humphrey, I don't think that is a very useful question. I did not know the answer at the time you asked me. I hadn't calculated it. I don't think it is a useful thing to do, that is, to go back and use old factors. Every statistical agency of the United States, including the BLS, updates the factors every year.

When we got back to the office, however, I asked the staff to find the answer to your question. They did so, and the answer was 8.0. The Business Week reporter called me that afternoon, or the next day and he asked me the same question and I gave him the figure. I am prepared to give you that figure right now, too. If you used the old factors——

Senator PROXMIRE. Was that the speech at the Economists' Club? Was that in response to a question?

Mr. SHISKIN. It was in response to a question, yes—well, I don't remember. I might have offered it. Because you had raised the question and also the Business Week reporter had raised the question.

Senator PROXMIRE. Well, at the time you appeared here you did not have the answer——

Mr. SHISKIN. I did not have the information.

Senator PROXMIRE. And when you appeared before the Economists' Club, you had the information and it was 8 percent.

Let me just read one other section——

Mr. SHISKIN. Let me emphasize, Senator, since you have raised this very basic question, Senator, that the question I was responding to was accurately answered; that is, that the change in methodology had no effect in January. Now, it is going to have an effect, we think, in other months, but it did not in January. Now, the other question you asked me——

Senator PROXMIRE. Before you get into that, why couldn't you have given us that information at the time you gave it to Business Week?

Mr. SHISKIN. Well, I did two things. First of all, we got the record of the hearing very quickly and I put it in the record. Second, I gave it to Larry McHugh of your staff. I am not sure exactly when. I probably gave it to Larry McHugh a day or two later than the Business Week reporter, but I did it quickly. Larry called me and I gave him the information and I would have given it to anybody. I didn't have it at the time you asked me. I gave it to anybody who asked me after that. I gave it to Business Week and the National Economists' Club. I gave a speech in New York and another in Dallas and I gave it to them. But, to reiterate, I still don't think it was very useful information.

Senator PROXMIRE. Well, let me follow up on it by quoting this. It says:

> Julius Shiskin, Commissioner of Labor Statistics, admits the revision of seasona factors had quite an impact on the January figures, but he says that it is impossible to separate the real improvement from the statistical noise. He says that it will be years before we know. However, alternate computations of the seasonal adjustment give a January unemployment rate ranging from 8 percent to 8.2 percent, rather than 7.8 percent.

Mr. SHISKIN. Well, that is wrong.

Senator PROXMIRE. Is that right?

Mr. SHISKIN. That is wrong. I called Bill Wolman, who is a senior editor of Business Week, and I told him that was very sloppy reporting. Later Steve Wildstrom, who wrote that article, called me up and apologized. They got the figures wrong in a rewrite of the article. The correct figures are 7.7 to 8.2.

Senator PROXMIRE. Now, let's go to something that I think is far more important——

Mr. SHISKIN. So that the Business Week writer, Senator, apologized to me for having a mistake in his article.

Senator PROXMIRE. Well, let's go to something that is far more important. I realize you are not responsible for what the Department of Commerce does. You can't be responsible for things outside of your own Department, but that consistent month-after-month revision of retail sales, and a revision that is always in favor of the administration and always enables them to come in with figures that make them look good, that is something that disturbs me a great deal.

Mr. SHISKIN. Well, I am not going to try to answer the question on retail sales, but I can tell you this. If I understand what you are saying, you consider a downward revision to be favorable to the administration.

Senator PROXMIRE. Yes, an upward revision of unemployment or a downward revision of retail sales. The reason I say that is if you can make it just before the big new figure comes out, the current figure comes out—as was done in every one of these cases—it makes the figure that comes out look that much better because you always compare it with what happened before. So, as you downwardly revise retail sales, just before you come in with your December figure, it will make that December figure look good. Then you do the same thing the next month, which is exactly what they did in January: downwardly revised it and then you come in with your figure, Mr. Shiskin, and it makes that figure look good.

With unemployment, what you do is you upwardly revise it just before you come in, and when unemployment comes in at a lower figure, then it looks good.

Mr. SHISKIN. We didn't revise——

Senator PROXMIRE. You didn't revise it? This is something else? I just want to make sure we don't get into that kind of situation.

Mr. SHISKIN. Well, sir, I am not responsible for the Department of Commerce's figures, as you know. I do know a lot about their retail sales statistics. It is very difficult to get them right the first time, because they have a very small sample then. There is great pressure on them to get the figures out at the end of 50 days. I worked there for years, as you know, and I am quite sympathetic to their problems.

Senator PROXMIRE. How about the GNP figure, which the Department of Commerce also had a very convenient——

Mr. SHISKIN. Well, let me tell you about the Bureau of Labor Statistics. We have just revised the figures on payroll employment. And I just looked at the figures for the last 6 months, and both revisions were upwards. Now, they were very small revisions. I wouldn't attach much importance to them, but both were up. I know the people at Census and I just would never believe there was anything but straightforward reporting there.

Senator PROXMIRE. Well, to the extent possible when the revisions are made, would you notify the committee as soon as they are? Would you notify the chairman?

Mr. SHISKIN. The BLS figures?

Senator PROXMIRE. Yes, sir.

Mr. SHISKIN. OK. You know, on many of these hearings we make the revisions—and that is what they do on retail sales—at the same time as we are turning out the new report. It is sort of one process. though we usually have the earlier, revised figure a little sooner.

Now, let me explain the process, both on retail sales and in our payroll survey. We "closed down" a few days ago to provide payroll figures for this meeting, for this report and meeting. We make our early estimates with partial returns. As the month goes by, as the next month goes by, we get more and more returns. So then when we issue next month's report, we will have a greater percentage of the total coverage.

Senator PROXMIRE. Well, I understand that. Of course these figures have to be revised and they should be. But, it is suspicious when they are revised constantly in a way that makes the subsequent figures look good.

Mr. SHISKIN. Well, Senator, I can assure you that at the BLS this is a straight forward statistical operation, conducted by a large number of highly professional civil servants. And when I was at the Census, that is exactly what went on there.

Senator PROXMIRE. So we want to be especially sensitive to make sure we don't get those revisions in September and October of 1976.

Mr. SHISKIN. The October 1976 figures, sir——

Senator PROXMIRE. With the election being November of 1976.

Mr. SHISKIN. The October 1976 figures on employment will come out after the election.

Senator PROXMIRE. September?

Mr. SHISKIN. No; the October figures, Senator, will come out after the election.

Senator PROXMIRE. All right—August and September.

Mr. SHISKIN. OK. No; I want to change that. I and my staff will do, in August and September, exactly what we do every other month; there will be no difference.

Senator PROXMIRE. Well, I think what we should do——and I am going to do my best to work with the chairman on this—is to try to get the same kind of integrity, which I think you have given this process, throughout the governmental statistical services, including the Department of Commerce's. I don't mean to reflect adversely on the Department of Commerce. It is unfair, since they are not here, but there is a consistent pattern, which was not noted by me. It was noted by Business Week.

Now, let me ask you this. The administration has forecast that the unemployment rate for 1976 will average 7.7 percent. Now that we are down to 7.6 percent, is there reason, do you think, to revise that perhaps?

Mr. SHISKIN. Well, the average for January and February was 7.7 percent. Perhaps I can put it this way. If we have the usual type of recovery—and there is no reason at this time to think that we will not have a good recovery—then there would be a basis to revise the forecast downward. We do have a very good recovery underway. It is not the best recovery we have ever had, but it is not the worst, either. It is about average.

We would expect employment to increase, GNP to increase, unemployment to go down. And incidentally, you would expect prices to go up. So that is what would happen if normal cyclical processes occur.

Senator PROXMIRE. All right, fine. That is exactly the kind of analysis that could be helpful to us. When you say you would expect it to go down—and I am not asking you to predict it—but what would be a likely, a normal figure for the year in view of the fact, as you say, that we have averaged 7.7 percent for the first 2 months and we are moving in the right direction?

Mr. SHISKIN. I would say—and I would have to recalculate this—if you took a look at the average past cyclical experience, you would expect a drop of, say, from October, when I think unemployment really began to decline about 1.5 to 2 points in 1 or 1½ years ahead.

Senator PROXMIRE. About how much?

Mr. SHISKIN. About 1½ to 2 points.

Chairman HUMPHREY. From October?

Mr. SHISKIN. Yes; from somewhere around October.

Senator PROXMIRE. It has already gone down from October?

Mr. SHISKIN. Yes; 1 point.

Senator PROXMIRE. So it should go down another one-half a point?

Mr. SHISKIN. Yes.

Senator PROXMIRE. So by the end of the year——

Mr. SHISKIN. I use that figure, Senator, to be consistent with the historical experience. And I want to emphasize that, because, as you know, I try very hard to stay away from forecasts.

Senator PROXMIRE. I understand, and I am not asking you to predict.

Mr. SHISKIN. And I don't intend to be making forecasts at this point. But I am explaining what would happen if normal historical business cycle experience continues in this next year.

Senator PROXMIRE. Now, does that mean that the average would be around 7.4 or 7.3 or something like that would be normal?

Mr. SHISKIN. No; it would be lower.

Senator PROXMIRE. Lower than that?

Mr. SHISKIN. Let's see. It was 8.6 in October. If it drops 1½ points, that would be 7.1. If it drops more than 2½ points, it would be under 7 percent.

Senator PROXMIRE. How much under?

Mr. SHISKIN. Under 7 percent if it drops more than 1½ point. Obviously, this is simple arithmetic.

Senator PROXMIRE. I want to make sure I understand. That under 7 percent would be by the end of the year, or the average for the year?

Mr. SHISKIN. Well, you know these things are all very crude and rough. Historical experience never repeats itself exactly.

Senator PROXMIRE. I understand that.

Mr. SHISKIN. But, as I remember the figures, with a good recovery, you get a decline. And I would think the real decline had gotten underway after October. The drop would be somewhere about 1½ to 2 points. So for the next year or year and one-quarter or year and one-half, Senator, normal cyclical experience would lead you to expect a decline from 8.6 to below 7.

Senator PROXMIRE. By the end of the year?

Mr. SHISKIN. Yes.

Senator PROXMIRE. What would it be by the end of the year? Would it be just below 7?

Mr. SHISKIN. Roughly below 7 and roughly by the end of the year.

Chairman HUMPHREY. But the average for the year would be what? About 7.4?

Mr. SHISKIN. Well, let's say you had 6.8 by the end of the year, and you had 7.8 at the beginning. So, 6.8 and 7.8—come on, Debby, you are a whiz-kid. What is the average of 6 8 and 7.8?

Senator PROXMIRE. It would be around 7.35.

Mr. SHISKIN. Well, you know Arthur Burns has been saying that the average for the year would be about 7½.

Senator PROXMIRE. It would be less than that.

Mr. SHISKIN. And I suspect that he went through this process.

Senator PROXMIRE. He did that before these figures came out?

Mr. SHISKIN. Sure. He was probably looking at these figures I am citing and that is probably how he made his estimate. Now many people don't believe in business cycle analyses so they don't do it, but it looks like this time it was the right way.

Senator PROXMIRE. Are there any other factors, other than strict economic factors, in your view that could account for this? Is there any kind of aberration, any change in the statistics that could account for this reduction, especially in the last 2 months?

Mr. SHISKIN. The reduction?

Senator PROXMIRE. The reduction in unemployment in the last 2 months.

Mr. SHISKIN. Well, you know, when you say "Is there any kind," I suppose there is. We don't understand all the intricacies of the impact of the unemployment insurance and so on. But I think it is mainly a cyclical phenomena.

By the way, one of the reporters told me, a very intelligent fellow, asked me how was it that I repudiated, in effect, the expected decline in unemployment between May and June of last year, when I said: "It would be large and it would be wrong," but I wasn't saying anything this time.

And the answer is that the business cycle forces this time were calling for a decline in unemployment and I did not see any reason not to have a decline. And as to the seasonal factors, they by and large, and with all the qualifications I have made—and of course, I have given you 10 different factors; 10 different seasonal factors, you know, which shows the range. This month the range is 7.5 to 7.9.

Well, anyway, I guess what I am saying is—in this confusing remark—is that this looks like a cyclical phenomena to me. And why shouldn't unemployment decline? Employment has risen sharply, GNP has risen and retail sales—despite your comments, Senator Proxmire—has been very, very strong. Now people have been critical of investment.

Here was a case of revisions, which was just the opposite of what you cited. The Department of Commerce has come out with revisions of the new orders figures, which raised them and not lowered them. We see that in the last 2 months, in December and January, Senator new orders have gone up a little more than 2 percent on the average.

Senator PROXMIRE. As you look at the unemployment figures, February was not nearly as encouraging a month as January. I say that because the work force did not grow. When you have unemployment dropping because the work force does not grow, you don't have the same kind of situation you would have otherwise. Also, the amount of employment only increased 125,000 which is a very modest increase.

Mr. SHISKIN. Sir, may I ask you to look at table 4 of my statement?

Senator PROXMIRE. Yes, sir?

Mr. SHISKIN. Now, I have taken here about one dozen key economic indicators and I will just focus in on a few of them. The first column shows the "Percent decline during 1973–75 recession." The second column—no, that was column 2. Column 3 shows the "Percentage of recession decline recovered." OK, now let's drop toward the lower banks. And the first figure for the percent of the decline recovered is 80.5. It refers to nonagricultural payroll employment. Do you see that?

Senator PROXMIRE. Is that in column 2?

Mr. SHISKIN. Column 3.

Senator PROXMIRE. Yes.

Mr. SHISKIN. The first figure.

Senator PROXMIRE. I see, yes.

Mr. SHISKIN. Now, skipping the next one, "Man-hours"—and we don't have the February figure for that—shows 70.1. GNP is 70 percent. Personal income is 54 percent. Industrial production is 53 percent. Real retail sales is 67 percent. These are the percentages recovered. Now, you look at unemployment and it is 27 percent. What is out of line? You know, is everybody out of step except Johnny? It is the fact that the unemployment has lagged that has to be explained and not that it is improving.

Senator PROXMIRE. Well, does this indicate a big improvement in productivity? Is that the answer?

Mr. SHISKIN. Well, let me now ask you to take a look at the next table, which shows the same experience for three series, in the 1958–59 recovery. Nonagricultural payroll employment at this stage had recovered 71 percent. We had not done as well as in the current recovery, but we had done better in unemployment. But the improvement in unemployment was still considerably below that in employment. That is to say, unemployment lags; unemployment recovers relatively late in a recovery. And I think that is what we are seeing this time, only this time it is more so. That is to say, we have the same pattern that we had in the past, but we are having it more so this time, because unemployment is way, way behind what you would have expected. You would expect it to be somewhat behind, but it is way, way behind. And the question that seems to me to be appropriate to try to answer is not to try to find reasons why unemployment is not improving; but why it is not improving more. It should be improving more, it seems to me.

Senator PROXMIRE. Well, let me ask you about one area of unemployment that is not improving.

Mr. SHISKIN. Maybe there is something wrong with the seasonal methods, so that we are not showing the full improvement rather than the other way around. I don't think there is anything seriously wrong with them, by the way.

Senator PROXMIRE. Now in construction, payroll and employment in construction dropped in February. It is about 740,000 or 18 percent below its peak, of exactly 2 years ago. Other indicators, such as contract awards and so forth, also point to a weakness in the construction industry. What explanation do you have of the failure of the construction industry to revive along with the rest of the economy?

Mr. SHISKIN. Well, first of all, I don't think that is a fully accurate description of the situation. Again, if you look at table 4, where I have housing starts, and this is in column 2——

Senator PROXMIRE. I see it. It shows 21.9 percent.

Mr. SHISKIN. We have only recovered 22 percent. If you look at the last column, however, you had——

Senator PROXMIRE. Let me just say this is something I have done same work on. Housing was so utterly disastrous in 1975 that we produced less houses at that time than any time in the last 30 years, and less than we produced in 1946, which was a housing depression period. We had about two-thirds as many people in the country. It was just a very, very bad year. So that recovery of 20 percent is pretty anemic.

Mr. SHISKIN. That is right. If you look at the first column, Senator Proxmire, you will see that the figure for housing starts is 58.6.

Senator PROXMIRE. A very sharp drop.

Mr. SHISKIN. That is the biggest one here. So you are quite right.

Senator PROXMIRE. And it has the feeblest recovery that you have.

Mr. SHISKIN. Yes, we have had a relatively feeble recovery, though we have had a 31-percent increase. Now you know, there is a special trouble there and in unemployment. You are picking the weak spots. And you know, I don't have any special knowledge about the construction industry. I would expect that it will be caught up in the cyclical expansion that appears to be ahead. And if it is, it will improve.

Senator PROXMIRE. Let me ask one final question, and this relates to prices, because we have had some very good news on the price front lately, too. Industrial prices are up at a 5.3 rate in the most recent 3 months. It is a big improvement over the previous 3 months, when the rate was over 10 percent. Consumer nonfood goods are up only 2.8 percent the last few months, compared to 11 percent the preceding 3 months. Consumer foods are down 19 percent during the past 3 months, and up only 2.7 percent from a year ago. Of course, that has not been very good news for the farmer. However, if farm prices are down, I want to at least be sure the consumer gets the benefit.

To what extent has recent improvement in the price picture for consumer goods at wholesale been reflected in retail prices and can we look forward to considerably greater stability in retail prices over the next few months? The wholesale price news has been excellent in the last few months, particularly the last month.

Mr. SHISKIN. John Layng can answer that. I would like to take this opportunity to point out that—well, John, you can answer that. I'd better turn this over to John.

Senator PROXMIRE. I might say one happy thing about these figures is you don't revise them.

Mr. SHISKIN. On each year we revise the seasonally adjusted data.

Senator PROXMIRE. But you never revise these price figures?

Mr. SHISKIN. Well, partly because of your prodding, Senator Proxmire, we will be revising the WPI seasonals next month. We had planned to do it earlier, but just didn't have the manpower to do it then. But I want to remind you when you look at the release when it comes out next month, that it was primarily because of your prodding about the inconsistencies that we decided to revise the method.

John, do you want to comment?

Mr. LAYNG. I might add we did that in the Consumer Price Index in January.

With respect to the question that you asked about the transmission of farm product price changes through to the retail level, it seems now like it is coming in pretty good. Initially, there had been a little bit of a lag. Retail prices did not respond quite as quickly as one would have expected.

Senator PROXMIRE. How about the general translation of wholesale price stability and even a drop in some sectors to consumer prices? In other words, can we expect that to be translated?

Mr. LAYNG. I think it has to some extent already, particularly in the nonfood sector. In the consumer sector, the services are still going up quite rapidly.

Senator PROXMIRE. Could you tell us what would be a reasonable expectation, then, an estimate on inflation? Can we expect that inflation might get below 5 percent, based on this experience?

Mr. LAYNG. That is very, very difficult to do. I mean, obviously, if the industrial sector continues to go up at a very, very slow rate, you certainly would expect that to be reflected in the nonfood commodities prices at the retail level, but to say how much and when is an extremely difficult question.

Senator PROXMIRE. Well, the Council of Economic Advisers gave us their estimates. How did they do it?

Mr. LAYNG. The best model available is the DRI stage of processing model. That is the best technique available for trying to get the transmission or price changes through from the wholesale level.

Senator PROXMIRE. All right, now what does that show?

Mr. LAYNG. We have not run it. DRI has it all in their system and you can feed different assumptions into it, which we don't as a practice, do. We spend an awful lot of time trying to make sure that the numbers we put out are accurate and spend very, very little time trying to forecast what the future is going to be.

Senator PROXMIRE. Thank you, Mr. Chairman.

Chairman HUMPHREY. Just a couple of quick questions. Mr. Shiskin. In the summer months, starting June, July, August, do you expect a pickup in employment or a decline in employment?

Mr. SHISKIN. I can answer that for unemployment.

Chairman HUMPHREY. Unemployment?

Mr. SHISKIN. I cannot only answer that, but let me direct you and perhaps the staff to where you can get the answer and look at it every month. If you look at table 1, attached to my statement, and if you look at the notes under table 1——

Chairman HUMPHREY. All right.

Mr. SHISKIN. There is a little table there that says: "Current Implicit Factors." And this shows the normal seasonal pattern.

Chairman HUMPHREY. Oh, yes.

Mr. Shiskin. It shows the seasonal pattern of unemployment. It shows January and February have the highest levels of unemployment seasonally. And those numbers will drop next month and the month after that and then again in May. So what we are going to see in the next 3 months is a decline in seasonal unemployment. It picks up again in June and then for the remainder of the year, it is below 100 and making up for the high levels of unemployment in January and February. So those are the figures.

Chairman Humphrey. So what you are saying is that in the months of May, June, and July, you will have an increase in employment.

Mr. Shiskin. In June you will have a pick-up of unemployment and in July you will have a drop, since it goes from 104.5 to 99.5. In August, you will have a little drop and in September you will have a little drop. In October you will have a big drop.

And you know, let me remind you, we just follow the calendar. We make no special arrangements around election time. It just so happens that the October figure will be released after the election.

Chairman Humphrey. I am perfectly willing to see the Democrats lose a few votes if you can get a better economy.

Mr. Shiskin. Senator, as far as unemployment statistics are concerned, I want to assure you I am 100-percent neutral. The figures will be as accurate throughout the rest of this year, Senator, as at all other times. And the survey and analysis will be done exactly the same way.

Chairman Humphrey. It always is somewhat disturbing to me that these figures come out that way, particularly in the summer when you have the mass exodus in the schools.

Mr. Shiskin. That is in June and unemployment is higher in June; the seasonal factor is 104.5.

Chairman Humphrey. You think the pattern is, in July and August it picks up?

Mr. Shiskin. No, because seasonally it goes down, because those unemployed are absorbed.

Chairman Humphrey. Employment picks up and unemployment goes down?

Mr. Shiskin. Yes, sir.

Chairman Humphrey. Again, this is seasonally adjusted, but in terms of the bodies walking around that are unemployed, there are more of them in July or August, aren't there?

Mr. Shiskin. No, there are fewer unemployed bodies in July and August.

Chairman Humphrey. There are?

Mr. Shiskin. Well, the students come in in June. There are a lot of them. So there are more unemployed bodies in June, but in July and August there are fewer, because they have been absorbed into jobs or they get out of the labor force.

Senator Proxmire. Would the the Senator yield?

It is no mystery as to why incumbents benefit. I notice the month that is the best is October.

Mr. Shiskin. As far as we are concerned, we will be issuing the October figures after the election. However, as to the bodies, there will be fewer bodies unemployed in October than——

Senator Proxmire. Than any other month.

Chairman HUMPHREY. And not only that, Mr. Shiskin, you won't have to issue a report after the election. We will have it all over the record before the election. Everybody will make his own interpretation.

One other matter that I want to call to your attention on all of these calculations is, I hope you are keeping track of the weather. You know all of this wholesale price index business has been jolly good new tot the public, because the farmer is taking it on the chin. His operangis costs are going up. His net income is not doing well. And if you get unseasonable weather, as we are now facing in the winter wheat areas and in other areas—and if you were a betting man—what do you think is going to happen to all of these calculations, including consumer confidence, because most people translate inflation into the supermarket.

Mr. SHISKIN. Well, Senator, not only do I not forecast economics, but I certainly don't forecast the weather.

Furthermore, you know—and here I will be more serious—our seasonal adjustments are for the average season. Now when you get a period of bad weather, our seasonal factors don't take that into account.

Chairman HUMPHREY. They don't what?

Mr. SHISKIN. Take that into account.

Chairman HUMPHREY. They are not taken into account?

Mr. SHISKIN. Not adequately. We just take into account average weather, you see. That is the way we have to do it. There have been studies made that try to tie retail sales, for example, to the weather. I was involved in them. We never could work that out. We never could work out a good relationship, mainly because the retail data aren't available at sufficiently detailed geographic levels. But the main point I am making is that our seasonal factors assume average weather.

Chairman HUMPHREY. Let me say I don't know why you have always said you do not want to be a forecaster. I think my memory tells me you have done rather well in making forecasts. You have been a little more positive about the developments in our economy than some of our witnesses. I have, might I say, been a little more bullish about the economy than some of our witnesses, and even some of the people that we work with here. I have a feeling things are moving. And it is in politics—you know when you are losing. Your feelings tell you that. You don't really have to have somebody tell you. You can feel it. I don't know whether it is externally or internally, but something happens to you.

And you feel the same thing about the economy? My only concern is with some of my compatriots that come up here and seem to ignore the gap period; no matter how rapidly the private economy moves, there is still a gap. There is a lag in the employment picture and——

Mr. SHISKIN. Especially unemployment.

Chairman HUMPHREY. Yes. I mean, you may get more people employed, but you still have a very substantial section unemployed. And as you start to move down with unemployment, it is even more difficult to pick up the next percentage point. This is why I have had continuing arguments with some of my advisers as to what we ought to do with that segment.

I would think that our welfare programs, if I can call them that, our social programs of unemployment compensation, food stamps and social security—that if they have proven anything, they have proven a lifesaver for the economy. We call them stabilizers. There has not been much credit given to them. And I think our country would have slipped into a massive depression had we not had these stabilizers that moved into action. Government programs have perhaps saved this country from a massive economic catastrophe. Because once you get a downhill momentum, the catastrophe increases its own velocity and it takes a long time to push that big old rock up the hill again. So, I want to just place in this record something that has needed to be here for a considerable period of time, and that is the fact that we have had extended unemployment compensation benefits, the fact we have had some public service employment, the fact we had 19 million people receive food stamps to augment their income and put money on the cash register in the supermarkets. You know food stamps are like greenbacks. They are money.

As I told a group of my farm friends the other day, the largest purchaser of agricultural commodities in the world is not the Soviet Union, but rather the Government of the United States. And we've got a lot of people running around telling my farm friends and others, "beware of the Government." If the Government was not in there purchasing that food for its food stamp program, for its school lunch program, for its senior citizen feeding program, for its women's and infants' and children's feeding program, then agricultural prices would be way down. So these programs have had a way of helping the American people and not just the poor people. The poor people get the base income. It is the guys that get the money from the poor people that get the profit. So it is very helpful.

You have been a good prophet, Mr. Shiskin. Don't you hesitate to forecast. You make me feel better when you forecast.

Mr. SHISKIN. I will get into trouble with all my colleagues for——

Chairman HUMPHREY. No. We need you as part of our forecasting team. We are going to revise this whole thing. You are the best prophet since I read the Old Testament.

Now, I want to emphasize for the record a statement that I ask the staff to see goes in the transcript following Mr. Needham's commentary on housing costs, because it relates to what Mr. Georgine had to say yesterday. Mr. Georgine gave us data showing that the cost of housing attributable to onsite labor costs has been cut in half in the last 30 years. At the end of World War II, onsite labor costs represented 33 percent of the total cost of new homes. Today, onsite labor costs represent 15 percent of the total cost of a new home. Of course, that does not include land costs, which have skyrocketed, and money costs, which have not only skyrocketed, but they have been on a space capsule.

Mr. Shiskin, have you had a good time this morning?

Mr. SHISKIN. I always have a good time at these hearings. You are all professional here and I always enjoy it.

Chairman HUMPHREY. And you brought us good news. I want to thank you very much.

[Whereupon, at 1:50 p.m., the committee adjourned, subject to the call of the Chair.]

EMPLOYMENT-UNEMPLOYMENT

FRIDAY, APRIL 2, 1976

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

The committee met, pursuant to notice, at 11:40 a.m., in room 1202, Dirksen Senate Office Building, Hon. Hubert H. Humphrey (chairman of the committee) presiding.

Present: Senator Humphrey and Representatives Long, Pike, and Brown of Michigan.

Also present: John R. Stark, executive director; William R. Buechner, William A. Cox, Jerry J. Jasinowski, and L. Douglas Lee, professional staff members; Michael J. Runde, administrative assistant; and Charles H. Bradford, senior minority economist.

OPENING STATEMENT OF CHAIRMAN HUMPHREY

Chairman HUMPHREY. Good morning, Mr. Shiskin. We are happy to see you once again and are pleased that you will discuss the monthly statistics on employment-unemployment and prices with us this morning.

Yesterday, your office reported to the Nation that the Wholesale Price Index for all commodities rose 0.2 of a percent, from February to March, a modest increase. While this overall number is encouraging, part of the reason is a continuing decline in farm product prices. I might add that, as I was listening to the news last night, one of the reporters said that the good news was that farm prices had gone down. I venture that that person would not have very safe passage out in Minnesota.

I do not know what is good news about farm prices going down. The farm parity ratio right now is about 7, which is the lowest that it has been since the Great Depression of the 1930's. I do not believe that the American people feel that farmers ought to "enjoy" low prices. It is an incredible development that we are pleased by a drop in the Wholesale Price Index which results from farm prices having gone down.

Farm operating costs have gone up, and they have gone up sharply. I want this record to show that the American farmer is, without a doubt, the most important single segment in the American economy, bar none, except that the Congress and the administration continue to think that it is bankers and industrialists, and what have you. I also simply want to point out that the American farmer today has a very high operating cost, with prices that are not commensurate. His parity ratio, which is the relationship between the prices that a farmer gets for what he sells, compared to the prices that the farmer pays for what he buys, is at a 40-year low right now, a 40-year low.

We have people clapping their hands like they were in the "Hallelujah Chorus", going around telling people, isn't this jolly. This shows the sickness of media, Government, and others, when anybody can say that that is good news.

Now that I have gotten that off my chest this morning, I will feel a little better. But I sure think it is a shame.

While we find that farm prices are going down, there is a 3.4 percent increase in crude materials; that is, in minerals and others, and I will ask you to comment on it. On the unemployment front, the overall rate is approximately the same as last month's level, but some encouragement, 7.5 percent.

The total number of unemployed people remained about 7 million; that is the official across-the-board number. The number of new jobs was about the same as the number of new workers. The increase in the number of new workers seems to be unusually small thus far this year. I hope that you can give us some observation on that, and can place this in some perspective and comment on possible reasons for this small increase.

I might add, is this typical of a good economic recovery? Many economists have felt that the unemployment rate declined so much in January and February that little further improvement could be expected this year. The March statistics indicate that there may have been some merit in this judgment. The unemployment rate may remain stuck in the neighborhood of 7.5 percent for some time. However, that is just a guess, based upon what some of the more learned economists have had to say.

I would appreciate your general evaluation of the reasonableness of this expectation.

So, Mr. Shiskin, I know that you have a prepared statement that you want to share with us and comment upon some of these matters. I just wanted to state very categorically that I get no comfort out of knowing that the reason the Wholesale Price Index is going down is because one segment of our economy is taking it on the chin. I do not think that is good news at all; and coming from the area of the country that I come from, it is anything but good news.

I repeat that I think it is basically bad news for the total economy, because this country is not going to be better off if rural people and farm populations find their income cut. That is no way to justify recovery.

It is like saying that one of the ways that you can cut down the cost of living is to see that workers are paid less. I wonder what people would think if we would say that one of the ways that we could cut down the cost of advertising is to pay people who work in the media less, or to pay people who sell the papers less.

Now, I want my friends in the media to know that I think that they are entitled to a good contract, and I hope that as they negotiate that contract, they do even better, but speaking for those producers of food and fiber, I want to speak up in their behalf.

Now, go ahead, Mr. Shiskin.

STATEMENT OF HON. JULIUS SHISKIN, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR, ACCOMPANIED BY W. JOHN LAYNG, ASSISTANT COMMISSIONER, OFFICE OF PRICES AND LIVING CONDITIONS; AND ROBERT L. STEIN, ASSISTANT COMMISSIONER, OFFICE OF CURRENT EMPLOYMENT ANALYSIS

Mr. SHISKIN. Thank you, Mr. Chairman.

I have with me, as usual, Mr.——

Chairman HUMPHREY. Pardon me. We have a new member of our committee, Mr. Shiskin. I want to take this moment to welcome him. Congressman Otis Pike has come to us, and we are very honored by your membership on the committee. As I told you personally on the phone, I believe that your appointment strengthens our committee. We welcome you.

Representative PIKE. Thank you, Mr. Chairman.

I am a little old country boy, and I will try not to get——

Chairman HUMPHREY. Now, wait a minute. You have already shaken me. Anybody that comes in here and says they are a little old country boy, that is the time to put your hand on your wallet.

[General laughter.]

Chairman HUMPHREY. OK, go ahead.

Mr. SHISKIN. Thank you, Mr. Chairman.

I have with me, as usual, Mr. Stein, who provides support for me on unemployment and employment data—he is on my left—and Mr. Layng, who provides similar support on price data.

I do have a brief statement, which I shall take a few minutes to read.

Mr. Chairman and members of the committee, I am glad to have this opportunity to provide for the Joint Economic Committee supplementary comments on the data released at 10 a.m. this morning in our press release, the employment situation.

The cyclical recovery in the employment situation continued in March. Further gains in employment were accompanied by a continuation of the decline in unemployment. However, aggregate hours declined as the rise in employment was more than offset by a decline in the average workweek.

The unemployment rate continued at a high level by historical standards and the decline in March was small. However, the unemployment rate has now dropped for 5 consecutive months. Hence, the March unemployment data confirm the sharp downward trend in the unemployment rate since October. Since the recession peak in May 1975, the 10-month decline has totaled 1.4 points, compared to 0.5, 1.5, 2.4 and 2.1 points in the first 10 months of the previous four recoveries, and 1.4, 3.7, 2.7, and 2.4 points in the full recoveries.

The range of the March unemployment rates computed by 10 alternative seasonal adjustment methods is 7.3 to 7.7 percent (table 1). All 10 alternative methods continue to show a similar pattern of rapidly declining unemployment since October. These data illustrate the range of unemployment rate estimates possible with the use of different methods of seasonal adjustment.

Total employment rose by about 375,000, and employment in nonfarm industries rose about 365,000, according to the household survey. Nonfarm payroll employment, which rose in March by almost 200,000 according to the business survey, has increased by 2 million since

March 1975 and 2.2 million since last June, the trough month for this survey. The rises in nonfarm employment, over the same periods, as measured by the household survey, were larger.

About two-thirds of the 172 industries in the BLS diffusion index showed rising employment for the second straight month. The employment-population ratio rose two-tenths of a point between February and March (table 2) to 56.6 percent and now is well above last November's trough of 55.9 percent. However, average weekly hours and aggregate hours declined in March. Much of the decline in hours took place in contract construction. Manufacturing hours, on the other hand, showed little change, with aggregate hours rising slightly and the average workweek declining.

Last month, I instituted the practice of showing data for seven different, reasonable definitions of unemployment labeled U–1, the most restrictive, to U–7, the most inclusive, with the official rate identified as U–5. These data are shown in chart 1 and table 3.

All seven categories of unemployment have been declining. U–1, which limits the total to the long-term unemployed, 15 weeks or longer, has dropped to 2.4 in the first quarter from 3.1 in the fourth quarter of 1975. U–7, which includes full-time job seekers, half the part-time job seekers, half the employed part-time for economic reasons, and the discouraged workers, declined from 11.3 in the fourth quarter of 1975 to 10.3 in the first quarter of this year. These data illustrate the range of unemployment rate estimates possible depending upon who is counted as unemployed.

In summary, the overall employment situation continued to improve in March, although aggregate hours declined slightly. After 9 months of recovery, nonfarm payroll employment has made up 37 percent of the decline in the 1973–75 recession, with total employment, as measured by the household survey, at an all-time high, well above the peak reached in 1974. Unemployment has also improved, declining from a peak level of nearly 8.3 million in May 1975 to a little over 7.0 million in March.

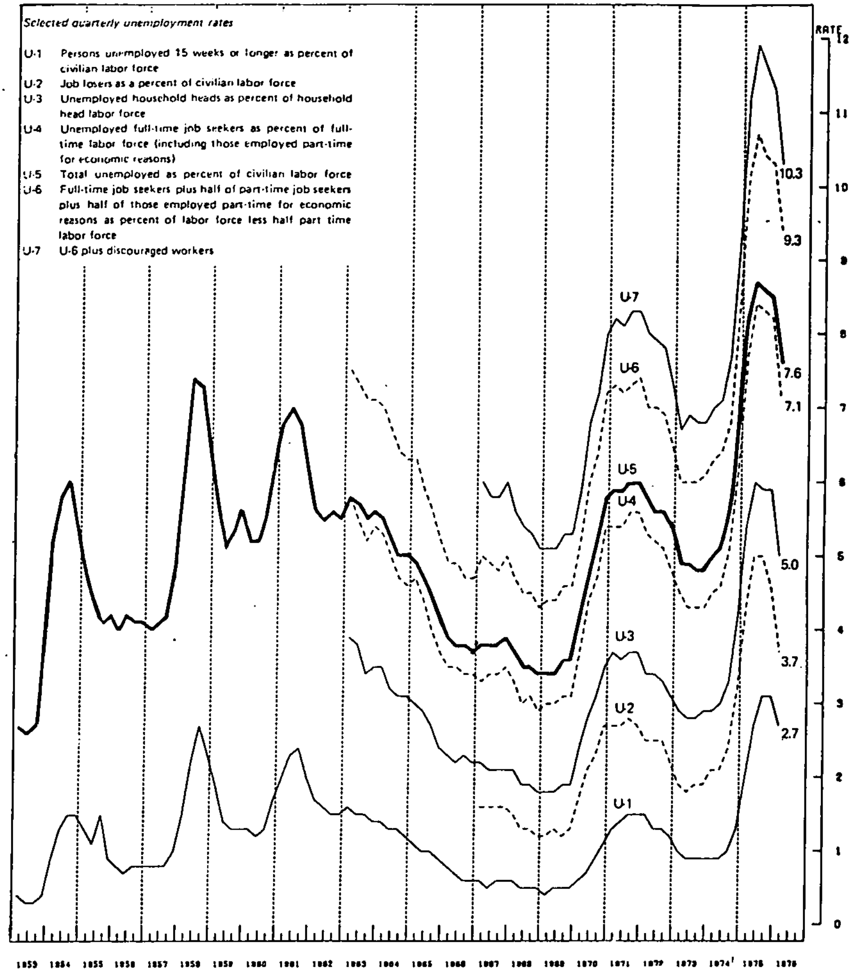
The difference between the relatively strong improvement in employment and the more limited improvement in unemployment is, of course, largely due to the fact that the labor force has continued to increase at a rapid pace (tables 4 and 5).

I shall now try to answer your questions.

[The chart and tables referred to, together with the press release follow:]

CHART 1

Unemployment indicators, 1953 through first quarter 1976



Bureau of Labor Statistics
April 1, 1976

TABLE 1.—UNEMPLOYMENT RATE BY ALTERNATE SEASONAL ADJUSTMENT METHODS

Month	Unadjusted rate (1)	Official adjusted rate (2)	Alternative age-sex procedures		Other aggregations (all multiplicative)					Direct adjustments			Composite		Range (col. 2–14) (15)
			All unemployment multiplicative (3)	All unemployment additive (4)	Duration (5)	Full time/part time (6)	Reasons (7)	Occupation (8)	Industry (9)	Rate (10)	Level (11)	Residual (12)	No. 1 (13)	No. 2 (14)	
1975															
January	9.0	7.9	8.0	8.3	8.1	7.9	7.8	7.9	7.8	8.1	8.1	8.4	8.0	8.0	0.6
February	9.1	8.0	8.1	8.4	7.9	8.0	7.8	7.8	8.0	8.0	8.1	8.4	8.0	8.0	.6
March	9.1	8.5	8.5	8.7	8.4	8.4	8.3	8.4	8.4	8.5	8.5	8.7	8.5	8.5	.4
April	8.6	8.6	8.7	8.6	8.5	8.6	8.6	8.7	8.7	8.8	8.8	8.7	8.6	8.6	.3
May	8.3	8.9	9.0	8.7	8.8	8.8	9.0	9.1	9.0	9.3	9.2	8.7	8.8	8.9	.6
June	9.1	8.7	8.6	8.7	8.6	8.7	8.7	8.6	8.7	8.2	8.2	8.5	8.6	8.6	.5
July	8.7	8.7	8.6	8.6	8.6	8.7	8.8	8.6	8.6	8.5	8.4	8.5	8.7	8.6	.4
August	8.2	8.5	8.5	8.4	8.7	8.5	8.7	8.7	8.6	8.5	8.5	8.4	8.6	8.6	.3
September	8.1	8.6	8.6	8.4	8.8	8.6	8.8	8.6	8.5	8.5	8.5	8.4	8.6	8.6	.4
October	7.8	8.6	8.7	8.4	8.8	8.7	8.7	8.5	8.6	8.5	8.6	8.4	8.6	8.6	.4
November	7.8	8.5	8.5	8.2	8.7	8.6	8.6	8.4	8.5	8.5	8.5	8.3	8.5	8.5	.5
December	7.8	8.3	8.4	8.2	8.5	8.3	8.2	8.3	8.4	8.5	8.4	8.2	8.3	8.3	.3

1976														
January	8.8	7.8	7.8	8.2	8.1	7.8	7.7	7.8	7.8	7.9	7.9	8.2	7.9	7.9	.5
February	8.7	7.6	7.7	7.9	7.6	7.6	7.5	7.6	7.7	7.7	7.7	7.9	7.6	7.6	.4
March	8.1	7.5	7.5	7.7	7.3	7.5	7.4	7.5	7.5	7.6	7.5	7.7	7.5	7.5	.4
April															
May															
June															
July															
August															
September															
October															
November															
December															

Source: U.S. Department of Labor, Bureau of Labor Statistics, Apr. 2, 1976.

Note: An explanation of cols. 1 to 14 appears below:

(1) Unemployment rate not seasonally adjusted.

(2) Official rate.—This is the published seasonally adjusted rate. Each of 4 unemployed age-sex components—males and female, 16 to 19 and 20 yr of age and over—is independently adjusted. The teenage unemployment components are adjusted using the additive procedure of the X-11 method, while adults are adjusted using the X-11 multiplicative option. The rate is calculated by aggregating the 4 and dividing them by 12 summed labor force components—these 4 plus 8 employment components, which are the 4 age-sex groups in agriculture and nonagricultural industries. This employment total is also used in the calculation of the labor force base in cols. (3) to (9). The current "implicit" factors for the total unemployment rate are as follows: January, 113.1; February, 113.7; March, 108.1; April, 99.4; May, 93.4; June, 104.5; July, 99.5; August, 96; September, 94.7; October, 89.8; November, 91.4; December, 93.4.

(3) Multiplicative rate.—The 4 basic unemployed age-sex groups—males and females, 16 to 19, and 20 yr and over—are adjusted by the X-11 multiplicative procedure.

(4) Additive rate.—The 4 basic unemployed age-sex groups—males and females, 16 to 19, and 20 yr and over—are adjusted by the X-11 additive procedure.

(5) Duration.—Unemployment total is aggregated from 3 independently adjusted unemployment by duration groups (0 to 4, 5 to 14, 15 plus).

(6) Fulltime and part-time.—Unemployment total is aggregated from 6 independently seasonally adjusted unemployment groups, by whether the unemployed are seeking full-time or part-time work for men 20 plus, women 20 plus, and teenagers.

(7) Reasons.—Unemployment total is aggregated from 4 independently seasonally adjusted unemployment levels by reasons for unemployment—job losers, job leavers, new entrants, and reentrants.

(8) Occupation.—Unemployment total is aggregated from independently seasonally adjusted unemployment by the occupation of the last job held. There are 13 unemployed components—12 major occupations plus new entrants to the labor force (no previous work experience).

(9) Industry.—Unemployment total is aggregated from 12 independently adjusted industry and class-of-worker categories, plus new entrants to the labor force.

(10) Unemployment rate adjusted directly.

(11) Unemployment and labor force levels adjusted directly.

(12) Labor force and employment levels adjusted directly, unemployment as a residual and rate then calculated.

(13) Average of (2), (5), (6), (7), and (12).

(14) Average of (2), (5), (6), (7), (8), (9), and (12).

Note: The X-11 method, developed by Julius Shiskin at the Bureau of the Census over the period 1955-65, was used in computing all the seasonally adjusted series described above.

TABLE 2.—EMPLOYMENT-POPULATION RATIOS

Category	Annual averages		Seasonally adjusted estimates								
	1974	1975	January 1974 (cyclical high month)	March 1975 (cyclical low month)	Quarterly averages, 1975 I	II	III	IV	January 1976	February 1976	March 1976
Total, all workers	57.8	56.0	58.3	55.9	56.1	56.0	56.1	56.0	56.4	56.4	56.6
Adult males	77.9	74.9	79.0	74.9	75.3	74.8	74.9	74.5	74.8	74.8	74.9
Adult females	42.7	42.3	42.4	42.0	42.0	42.2	42.5	42.5	43.0	43.0	43.3
Teenagers	46.1	43.3	47.5	43.2	43.6	43.3	43.3	43.0	43.6	43.7	44.0

Source: U.S. Department of Labor, Bureau of Labor Statistics, Apr. 2, 1976.

TABLE 3.—RANGE OF UNEMPLOYMENT INDICATORS REFLECTING VALUE JUDGMENTS ABOUT SIGNIFICANCE OF UNEMPLOYMENT

[In percent]

U-1 through U-7	Annual averages		Seasonally adjusted estimates								
					Quarterly averages				Current months		
	1974	1975	Oct. 1973 (cyclical low month)	May 1975 (cyclical high month)	II 1975	III 1975	IV 1975	I 1976	Jan. 1976	Feb. 1976	Mar. 1976
U-1—Persons unemployed 15 weeks or longer as a percent of total civilian labor force	1.0	2.7	0.9	2.7	2.7	3.1	3.1	2.7	3.0	2.7	2.4
U-2—Job losers as a percent of civilian labor force	2.4	4.7	1.7	5.1	5.0	5.0	4.6	3.7	3.7	3.7	3.7
U-3—Unemployed household heads as a percent of the household head labor force	3.3	5.8	2.7	6.1	6.0	5.9	5.9	5.0	5.1	4.9	5.0
U-4—Unemployed full-time job seekers as a percent of the full-time labor force (including those employed part time for economic reasons)	5.1	8.1	4.1	8.5	8.4	8.3	8.2	7.1	7.3	7.1	7.0
U-5—Total unemployed as a percent of civilian labor force (official measure)	5.6	8.5	4.7	8.9	8.7	8.6	8.5	7.6	7.8	7.6	7.5
U-6—Total full-time job seekers plus half part-time job seekers plus half total on part time for economic reasons as a percent of civilian labor force less half part-time labor force	6.9	10.3	5.9	10.9	10.7	10.4	10.3	9.3	9.6	9.3	9.2
U-7—Total full-time job seekers plus half part-time job seekers plus half total on part time for economic reasons plus discouraged workers as a percent of civilian labor force plus discouraged workers less half of part-time labor force	7.7	11.5	[1] 6.6	[1] 12.0	11.9	11.6	11.3	10.3	(2)	(2)	(2)

[1] Uses discouraged worker figure for quarter which includes applicable month.

[2] Not available.

Source: U.S. Department of Labor, Bureau of Labor Statistics, Apr. 2, 1976.

TABLE 4.—MEASURES OF PROGRESS TOWARD PREVIOUS CYCLICAL PEAK LEVEL DURING CURRENT ECONOMIC RECOVERY

Series (with latest month available) (1)	Percent decline during 1973–75 recession (2)	Percent of recession decline recovered, trough to date (3)	Percent of previous peak level (4)	Percent change from trough (5)
I. Leading indicators:				
Leading index, trend adjusted (February)	−22.4	75.8	94.6	+21.9
Average workweek (March) [1]	−4.4	77.8	99.0	+3.6
New orders, 1967 dollars (February) [1]	−27.3	45.3	87.5	+20.4
Contracts and orders, 1967 dollars (February) [1]	−29.6	1.3	70.8	+0.6
Housing starts (February) [1]	−58.6	25.9	56.6	+36.6
Stock prices (February)	−43.4	65.4	85.0	+50.1
Corporate profits after taxes, 1972 dollars (4th quarter)	−35.6	51.0	82.5	+28.2
II. Coincident indicators:				
Nonagricultural payroll employment (March)	−3.2	87.2	99.6	+2.8
Unemployment level (March) [2]	+98.3	29.9	168.9	−14.8
Man-hours, nonagricultural establishments (February)	−5.0	66.8	98.3	+3.5
GNP, 1972 dollars (4th quarter 1975, revised)	−6.6	69.6	98.0	+4.9
Personal income less transfer payments, 1967 dollars (February)	−7.4	59.1	97.0	+4.7
Industrial production (February)	−13.8	56.8	94.0	+9.1
Retail sales, 1967 dollars (February) [1]	−10.0	74.8	97.5	+8.3

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[1] 3-months averages have been used for the calculations for this series: for example, the averages of the specific trough month, the previous and following months were compared with the average for the latest 3 months available to obtain the entries in cols. (3) to (5). For other series single months have been used.

[2] The unemployment series tends to move counter to movements in general business activity; that is, the unemployment level tends to rise during recessions and decline during expansions.

TABLE 5.—MEASURES OF PROGRESS TOWARD PREVIOUS CYCLICAL PEAK LEVEL AT CORRESPONDING STAGE OF 1958–59 ECONOMIC RECOVERY

Series (1)	Percent decline during 1957–58 recession (2)	Percent of recession decline recovered (3)	Percent of previous peak level (4)	Percent change from trough (5)
Nonagricultural payroll employment	−4.3	77.3	99.0	+3.5
Unemployment level [1]	+102.4	−62.3	138.7	−31.5
GNP, 1972 dollars	−3.2	174.3	102.4	+5.8

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[1] The unemployment series tends to move counter to movements in general business activity; that is, the unemployment level tends to rise during recessions and decline during expansion.

NEWS

U. S. DEPARTMENT OF LABOR
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USDL 76-234
FOR RELEASE: 10:00 A. M. (EST)
Friday, April 2, 1976

THE EMPLOYMENT SITUATION: MARCH 1976

The Nation's employment situation showed further improvement in March, as employment rose and unemployment continued downward, it was reported today by the Bureau of Labor Statistics of the U. S. Department of Labor.

The overall rate of unemployment in March was 7.5 percent. Although only slightly below the 7.6 percentage of the previous month, it was down substantially from the May 1975 recession peak of 8.9 percent. All worker groups have shared to some degree in this recovery.

Total employment--as measured by the monthly survey of households--increased by 375,000 in March to an alltime high of 86.7 million. Since the March 1975 recession low, the employed total has risen by 2.6 million, 400,000 more than the drop in employment during the recession. Adult women accounted for more than half of this over-the-year gain, while adult men remained 600,000 short of their January 1974 employment peak. Many men have left the labor force in recent months, accentuating the long established downtrend in male labor force participation.

Nonagricultural payroll employment--as measured by the monthly survey of establishments--rose by nearly 200,000 in March. The payroll total has risen continuously since last June's low but remained some 300,000 jobs short of the September 1974 pre-recession peak.

Unemployment

The number of unemployed persons totaled 7.0 million (seasonally adjusted) in March, little changed from the February level of 7.1 million. However, joblessness has been falling steadily since October 1975; by March, 30 percent of the recessionary increase had been recovered. Although little different from February's 7.6 percent, the March rate of 7.5 percent was down from 8.6 percent in October and the postwar high of 8.9

percent in May.

The unemployment situation among most component labor force groups was little changed in March. For example, unemployment rates were about unchanged for adult men and women, full- and part-time workers, married men, and teenagers. However, there was a reduction in joblessness among blacks, as their rate fell 1.2 percentage points to 12.5 percent; most of this improvement occurred among adult women. The rate for black

Table A. Highlights of the employment situation (seasonally adjusted data)

Selected categories	Quarterly averages					Monthly data		
	1975				1976	1976		
	I	II	III	IV	I	Jan.	Feb.	Mar.
	(Thousands of persons)							
Civilian labor force	91,789	92,531	93,134	93,153	93,553	93,484	93,455	93,719
Total employment	84,313	84,443	85,138	85,241	86,402	86,194	86,319	86,692
Adult men	47,345	47,286	47,551	47,540	47,998	47,916	47,997	48,081
Adult women	29,912	30,129	30,537	30,665	31,234	31,140	31,165	31,398
Teenagers	7,056	7,029	7,050	7,036	7,169	7,138	7,157	7,213
Unemployment	7,476	8,087	7,997	7,912	7,151	7,290	7,136	7,027
	(Percent of labor force)							
Unemployment rates:								
All workers	8.1	8.7	8.6	8.5	7.6	7.8	7.6	7.5
Adult men	6.2	7.0	7.0	7.0	5.7	5.8	5.7	5.6
Adult women	8.0	8.4	7.9	7.9	7.4	7.5	7.5	7.3
Teenagers	19.8	20.2	20.2	19.5	19.4	19.9	19.2	19.1
White	7.5	8.0	7.9	7.8	6.9	7.1	6.8	6.8
Black and other	13.4	14.1	14.1	14.0	13.1	13.2	13.7	12.5
Household heads	5.4	6.0	5.9	5.9	5.0	5.1	4.9	5.0
Married men	4.7	5.5	5.4	5.1	4.1	4.1	4.1	4.1
Full-time workers	7.7	8.4	8.3	8.2	7.1	7.3	7.1	7.0
	(Weeks)							
Average duration of unemployment	11.3	13.8	15.6	16.5	16.3	16.9	16.2	15.8
	(Thousands of persons)							
Nonfarm payroll employment	76,863	76,438	77,004	77,642	78,337p	78,179	78,320p	78,511p
Goods-producing industries	22,794	22,300	22,414	22,690	22,917p	22,914	22,885p	22,952p
Service-producing industries	54,069	54,138	54,590	54,952	55,420p	55,265	55,435p	55,559p
	(Hours of work)							
Average weekly hours:								
Total private nonfarm	36.1	35.9	36.1	36.3	36.4p	36.5	36.5p	36.2p
Manufacturing	39.0	39.1	39.6	40.0	40.4p	40.5	40.4p	40.2p
Manufacturing overtime	2.4	2.4	2.7	2.9	3.1p	3.0	3.1p	3.2p
	(1967=100)							
Hourly Earnings Index, private nonfarm:								
In current dollars	167.7	170.7	174.3	177.8	180.4p	179.6	180.6p	181.2p
In constant dollars	106.7	107.0	107.1	107.5	N.A.	107.5	107.9p	N.A.

p= preliminary. N.A.=not available.

workers was down nearly 2 points from the September peak of 14.4 percent. At 6.8 percent, the rate for whites was unchanged over the month but well below the May high of 8.3 percent. (See table A-2.)

Unemployment rates for most occupational and industry groups were similarly little changed from February levels. However, there was a decline among manufacturing workers, continuing the steady downtrend which has been in evidence since June.

Monthly data on male and female household heads by the presence of relatives have been included for the first time in table A-2 of this release. Male household heads living with relatives average comparatively low unemployment rates, while those who live alone or with nonrelatives experience higher joblessness. Female heads living with relatives--generally raising children on their own--have very high unemployment rates, often due to a lack of training and experience. In March, the unemployment rate for female family heads declined from 10.4 to 9.4 percent. The rate for male family heads, at 4.0 percent, was unchanged over the month but down substantially from the recession peak of 5.5 percent.

After being about equal to the rate for nonveterans in recent months, the Vietnam-era veterans' jobless rate (7.0 percent) was once again lower in March. All of the veteran age components have shown improvement in recent months. (See table A-2.)

The average (mean) duration of unemployment fell for the second straight month to 15.8 weeks in March, more than a week lower than the recession peak spanning the November-January period. Contributing to the decline over the month was a drop in the number of persons unemployed 15 weeks or more. The drop that was particularly pronounced in the group jobless for 6 months or longer. (See table A-4.)

Total Employment and Labor Force

Total employment increased for the fifth straight month, rising by 375,000 to a new high of 86.7 million, seasonally adjusted. The March gain occurred largely among adult women. Employment has increased by 2.6 million since the recession low in March a year ago. Adult women have comprised more than half of the over-the-year gain.

The civilian labor force rose by 260,000 in March to 93.7 million persons, after holding steady in February. Over the past year, the labor force has expanded by 1.8

million, a pace in excess of the growth rate at the height of the recession but otherwise somewhat less than in the previous few years.

The labor force participation for adult women has increased by nearly a full percentage point over the past year, a continuation of their secular uptrend. Among men, on the other hand, there was a drop of similar magnitude, accelerating, at least temporarily, their long-term downward trend. Primarily as a result of these countervailing movements, overall labor force participation has held about steady. (See table A-1.)

Discouraged Workers

Discouraged workers are persons who want work but are not looking for jobs because they believe they cannot find any. Because they do not meet the labor market test--that is, they are not engaged in active job search--they are classified as not in the labor force rather than as unemployed. Their numbers normally increase or decrease in line with movements in the unemployment rate. These data are published on a quarterly basis.

The number of discouraged workers, which had nearly doubled between the third quarters of 1974 and 1975 to a high of nearly 1.2 million (seasonally adjusted), receded to 940,000 by the first quarter. Just as those discouraged for job market factors had

Table B. Discouraged workers, seasonally adjusted quarterly averages

(In thousands)

Characteristic	1974		1975				1976
	III	IV	I	II	III	IV	I
Total	625	839	1,059	1,116	1,160	997	937
Job market factors[1]	422	592	839	817	947	849	630
Personal factors[2]	203	247	220	299	213	148	307

[1] Job market factors include "could not find job" and "thinks no job available."

[2] Personal factors include "employees think too young or old," "lacks education or training," and "other personal handicap."

accounted for the bulk of the recessionary increase, they also have accounted for most of the subsequent decline. Thus, the number of the discouraged citing job market factors decreased from 950,000 at the third quarter 1975 peak to 630,000 in the most recent quarter. (See table B.)

Industry Payroll Employment

Total nonagricultural payroll employment advanced by 190,000 in March to 78.5 million, seasonally adjusted. The payroll job count has risen continuously since the June low but was 320,000 below the record high of September 1974. As in February, over-the-month gains occurred in two-thirds of the 172 industries comprising the diffusion index of nonagricultural payroll employment. (See tables B-1 and B-6.)

The largest over-the-month increase occurred in manufacturing, where 75,000 were added to payrolls. Nearly all of this gain took place in the durable goods sector, with pick-ups in transportation equipment (25,000) and electrical equipment (20,000) accounting for much of the growth. There was little overall movement in nondurables, as an increase in apparel was offset by a decrease in food processing. Since last July's low, factory employment has risen by three-quarters of a million.

Employment in contract construction was about unchanged in March, after declining by 70,000 in the previous month. At 3.3 million, construction employment has shown no improvement during the recovery period, remaining 770,000 below the February 1974 pre-recession high.

Among the service-producing industries, substantial gains took place in retail trade (50,000) and State and local government (45,000). Employment in services continued to advance, although at a slower pace than in recent months, as 25,000 were added to payrolls over the month. The only industry division in the sector to show an over-the-month reduction was transportation and public utilities.

Hours

The average workweek for all production and nonsupervisory workers on private nonagricultural payrolls dropped by 0.3 hour in March to 36.2 hours (seasonally adjusted). The manufacturing workweek fell for the second straight month to 40.2 hours in March. The factory workweek was nevertheless 1.4 hours above the recession low of February 1975.

Factory overtime, on the other hand, edged up for the second month in a row to 3.2 hours in March. (See table B-2.)

Because the increase in employment was insufficient to counterbalance the reduction in hours, the index of aggregate hours of private nonagricultural production workers dropped 0.5 percent to 110.1 (1967=100), the first setback in 9 months. The aggregate factory hours index, after a pause in February, moved up 0.1 percent to 93.8, resuming the ascent begun last May. (See table B-5.)

Hourly and Weekly Earnings

Average hourly earnings of production or nonsupervisory workers on total private nonagricultural payrolls rose 0.2 percent in March, seasonally adjusted, and were up 6.7 percent over the year. Because of the reduction in weekly hours, average weekly earnings fell 0.6 percent over the month but were still 7.6 percent higher than a year ago.

Before adjustment for seasonality, average hourly earnings were $4.74, the same as in February. Since March 1975, they have increased by 30 cents. Average weekly earnings were $170.17, 94 cents below the February level but $12.11 above last March. (See table B-3.)

The Hourly Earnings Index

The Hourly Earnings Index--earnings adjusted for overtime in manufacturing, seasonality, and the effects of changes in the proportion of workers in high-wage and low-wage industries--was 181.2 (1967=100) in March, 0.3 percent higher than in February. The index was 7.2 percent above March a year ago. During the 12-month period ended in February, the Hourly Earnings Index in dollars of constant purchasing power rose 1.2 percent. (See table B-4.)

This release presents and analyzes statistics from two major surveys. Data on labor force, total employment, and unemployment are derived from the sample survey of households conducted and tabulated by the Bureau of the Census for the Bureau of Labor Statistics. Statistics on payroll employment, hours, and earnings are collected by State agencies from payroll records of employers and are tabulated by the Bureau of Labor Statistics. Unless otherwise indicated, data for both series relate to the week of the specified month containing the 12th day. A description of the two surveys appears in the BLS publication *Employment and Earnings*.

Table A-1. Employment status of the noninstitutional population

(Numbers in thousands)

Employment status	Not seasonally adjusted			Seasonally adjusted					
	Mar. 1975	Feb. 1976	Mar. 1976	Mar. 1975	Nov. 1975	Dec. 1975	Jan. 1976	Feb. 1976	Mar. 1976
TOTAL									
Total noninstitutional population[1]	152,646	155,106	155,325	152,646	154,476	154,700	154,915	155,106	155,325
Total labor force	93,593	94,944	95,260	94,078	95,272	95,286	95,624	95,601	95,866
Participation rate	61.3	61.2	61.3	61.6	61.7	61.6	61.7	61.6	61.7
Civilian noninstitutional population[1]	150,447	152,960	153,178	150,447	152,320	152,543	152,775	152,960	153,178
Civilian labor force	91,395	92,798	93,112	91,880	93,117	93,129	93,484	93,455	93,719
Participation rate	60.7	60.7	60.8	61.1	61.1	61.1	61.2	61.1	61.2
Employed	83,036	84,764	85,588	84,110	85,178	85,394	86,194	86,319	86,692
Agriculture	2,988	2,802	2,897	3,268	3,301	3,236	3,343	3,170	3,179
Nonagricultural industries	80,048	81,963	82,691	80,842	81,877	82,158	82,851	83,149	83,513
Unemployed	8,359	8,033	7,525	7,770	7,939	7,735	7,290	7,136	7,027
Unemployment rate	9.1	8.7	8.1	8.5	8.5	8.3	7.8	7.6	7.5
Not in labor force	59,053	60,163	60,065	58,567	59,203	59,414	59,291	59,505	59,459
Males, 20 years and over									
Total noninstitutional population[1]	64,730	65,821	65,920	64,730	65,542	65,643	65,739	65,821	65,920
Total labor force	52,311	52,539	52,635	52,200	52,888	52,651	52,576	52,603	52,623
Participation rate	80.8	79.8	79.8	80.6	80.7	80.2	80.0	79.9	79.8
Civilian noninstitutional population[1]	62,997	64,133	64,230	62,997	63,830	63,929	64,055	64,133	64,230
Civilian labor force	50,579	50,850	50,945	50,467	51,176	50,937	50,892	50,914	50,934
Participation rate	80.3	79.3	79.3	80.1	80.2	79.7	79.5	79.4	79.3
Employed	46,612	47,182	47,525	47,158	47,521	47,586	47,916	47,997	48,081
Agriculture	2,310	2,174	2,202	2,413	2,386	2,316	2,351	2,305	2,301
Nonagricultural industries	44,302	45,007	45,322	44,745	45,135	45,270	45,565	45,692	45,780
Unemployed	3,966	3,669	3,421	3,309	3,655	3,351	2,976	2,917	2,853
Unemployment rate	7.8	7.2	6.7	6.6	7.1	6.6	5.8	5.7	5.6
Not in labor force	12,419	13,283	13,285	12,530	12,654	12,992	13,163	13,219	13,296
Females, 20 years and over									
Civilian noninstitutional population[1]	71,266	72,452	72,561	71,266	72,139	72,251	72,354	72,452	72,561
Civilian labor force	32,789	33,912	33,997	32,659	33,256	33,415	33,683	33,687	33,865
Participation rate	46.0	46.8	46.9	45.8	46.1	46.2	46.6	46.5	46.7
Employed	30,073	31,201	31,514	29,959	30,619	30,755	31,140	31,165	31,398
Agriculture	374	333	372	445	491	483	545	420	442
Nonagricultural industries	29,699	30,868	31,142	29,514	30,128	30,272	30,595	30,745	30,956
Unemployed	2,716	2,711	2,482	2,700	2,637	2,660	2,543	2,522	2,467
Unemployment rate	8.3	8.0	7.3	8.3	7.9	8.0	7.5	7.5	7.3
Not in labor force	38,477	38,540	38,564	38,607	38,883	38,836	38,671	38,765	38,696
Both sexes, 16-19 years									
Civilian noninstitutional population[1]	16,184	16,376	16,387	16,184	16,352	16,363	16,366	16,376	16,387
Civilian labor force	8,027	8,035	8,170	8,754	8,685	8,777	8,909	8,854	8,920
Participation rate	49.6	49.1	49.9	54.1	53.1	53.6	54.4	54.1	54.4
Employed	6,351	6,381	6,549	6,993	7,038	7,053	7,138	7,157	7,213
Agriculture	304	294	323	410	424	437	447	445	436
Nonagricultural industries	6,047	6,087	6,226	6,583	6,614	6,616	6,691	6,712	6,777
Unemployed	1,677	1,654	1,621	1,761	1,647	1,724	1,771	1,697	1,707
Unemployment rate	20.9	20.6	19.8	20.1	19.0	19.6	19.9	19.2	19.1
Not in labor force	8,157	8,340	8,216	7,430	7,667	7,586	7,457	7,522	7,467
WHITE									
Civilian noninstitutional population[1]	132,879	134,813	134,987	132,879	134,303	134,480	134,668	134,813	134,987
Civilian labor force	81,108	82,178	82,426	81,551	82,517	82,474	82,738	82,715	82,961
Participation rate	61.0	61.0	61.1	61.4	61.4	61.3	61.4	61.4	61.5
Employed	74,243	75,689	76,300	75,216	76,059	76,223	76,839	77,101	77,282
Unemployed	6,865	6,488	6,126	6,335	6,458	6,251	5,899	5,614	5,679
Unemployment rate	8.5	7.9	7.4	7.8	7.8	7.6	7.1	6.8	6.8
Not in labor force	51,771	52,635	52,561	51,328	51,786	52,006	51,930	52,098	52,026
BLACK AND OTHER									
Civilian noninstitutional population[1]	17,568	18,147	18,191	17,568	18,018	18,063	18,107	18,147	18,191
Civilian labor force	10,286	10,620	10,687	10,330	10,684	10,653	10,731	10,795	10,748
Participation rate	58.6	58.5	58.7	58.8	59.3	59.0	59.3	59.5	59.1
Employed	8,792	9,075	9,288	8,903	9,197	9,188	9,314	9,315	9,407
Unemployed	1,494	1,545	1,399	1,427	1,487	1,465	1,417	1,480	1,341
Unemployment rate	14.5	14.5	13.1	13.8	13.9	13.8	13.2	13.7	12.5
Not in labor force	7,281	7,527	7,504	7,238	7,334	7,410	7,376	7,352	7,443

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[1] Seasonal variations are not present in the population figures; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

Table A-2. Major unemployment indicators, seasonally adjusted

Selected categories	Number of unemployed persons (in thousands)		Unemployment rates					
	Mar. 1975	Mar. 1976	Mar. 1975	Nov. 1975	Dec. 1975	Jan. 1976	Feb. 1976	Mar. 1976
Total, 16 years and over	7,770	7,027	8.5	8.5	8.3	7.8	7.6	7.5
Males, 20 years and over	3,309	2,853	6.6	7.1	6.6	5.8	5.7	5.6
Females, 20 years and over	2,700	2,467	8.3	7.9	8.0	7.5	7.5	7.3
Both sexes, 16-19 years	1,761	1,707	20.1	19.0	19.6	19.9	19.2	19.1
White, total	6,335	5,679	7.8	7.8	7.6	7.1	6.8	6.8
Males, 20 years and over	2,735	2,327	6.0	6.5	5.9	5.2	5.0	5.1
Females, 20 years and over	2,201	1,985	7.8	7.5	7.5	7.0	6.7	6.8
Both sexes, 16-19 years	1,399	1,367	17.8	17.1	17.8	18.3	17.1	17.2
Black and other, total	1,427	1,341	13.8	13.9	13.8	13.2	13.7	12.5
Males, 20 years and over	580	533	11.3	12.8	12.3	11.2	11.2	10.3
Females, 20 years and over	481	465	11.2	11.0	10.8	11.0	12.2	10.1
Both sexes, 16-19 years	366	343	40.2	34.3	35.2	34.6	35.2	35.9
Household heads, total	2,989	2,667	5.7	5.8	5.7	5.1	4.9	5.0
Males	2,354	2,038	5.3	5.6	5.2	4.6	4.4	4.5
With relatives	1,983	1,622	4.9	4.9	4.7	4.1	4.0	4.0
Without relatives	371	416	8.7	11.0	9.5	8.4	8.0	8.8
Females	610	630	7.5	8.0	8.6	8.2	8.0	7.3
With relatives	381	391	9.8	10.1	10.6	10.3	10.4	9.4
Without relatives	229	239	5.4	6.1	6.7	6.1	5.7	5.4
Married men, spouse present	1,981	1,625	5.0	5.1	4.8	4.1	4.1	4.1
Full-time workers	6,317	5,637	8.0	8.3	7.9	7.3	7.1	7.0
Part-time workers	1,438	1,382	10.8	10.2	10.5	10.5	10.4	10.3
Unemployed 15 weeks and over[1]	1,978	2,294	2.2	3.2	3.3	3.0	2.7	2.4
Labor force time lost[2]	--	--	9.3	9.3	8.9	8.4	8.1	8.2
OCCUPATION[3]								
White-collar workers	2,036	2,096	4.6	4.8	4.8	4.7	4.6	4.6
Professional and technical	384	479	2.9	3.7	3.1	3.0	3.6	3.5
Managers and administrators, except farm	259	281	2.9	2.9	3.0	2.9	2.9	2.9
Sales workers	343	283	5.9	6.3	6.3	6.4	5.2	5.0
Clerical workers	1,050	1,053	6.5	6.4	6.6	6.4	6.1	6.3
Blue-collar workers	3,758	2,874	12.0	11.3	10.7	9.4	9.3	9.1
Craft and kindred workers	992	798	8.5	8.3	7.2	6.6	6.7	6.7
Operatives	1,990	1,433	13.6	12.4	12.2	10.2	9.8	9.8
Nonfarm laborers	776	643	15.7	15.5	14.9	14.1	14.1	12.9
Service workers	1,038	1,103	8.2	8.7	9.2	9.3	8.9	8.6
Farm workers	119	144	4.0	3.8	4.5	3.9	3.9	5.0
INDUSTRY[3]								
Nonagricultural private wage and salary workers[4]	6,061	5,170	9.1	9.2	8.9	8.1	8.0	7.7
Construction	781	693	18.0	17.5	16.6	15.4	15.5	16.0
Manufacturing	2,323	1,534	11.0	10.5	9.6	8.1	8.0	7.3
Durable goods	1,352	936	10.8	10.8	9.9	8.2	8.0	7.4
Nondurable goods	971	598	11.2	10.0	9.2	8.0	8.1	7.1
Transportation and public utilities	268	217	5.5	4.9	5.1	4.9	4.7	4.5
Wholesale and retail trade	1,451	1,491	8.7	9.4	9.4	8.7	8.4	8.7
Finance and service industries	1,208	1,194	6.5	7.0	7.0	7.0	6.8	6.1
Government workers	572	702	3.8	4.0	4.4	4.2	4.4	4.5
Agricultural wage and salary workers	150	176	11.1	10.2	12.4	10.8	10.6	11.8
VETERAN STATUS								
Males, Vietnam-era veterans[5]:								
20 to 34 years	523	439	8.8	10.2	10.3	8.1	7.8	7.0
20 to 24 years	185	146	17.6	23.1	22.0	18.9	17.9	15.6
25 to 29 years	256	213	7.7	9.0	9.9	7.1	7.1	6.6
30 to 34 years	82	80	5.1	5.6	5.3	4.8	4.6	3.8
Males, nonveterans:								
20 to 34 years	1,444	1,236	10.2	10.1	9.2	8.8	8.3	8.3
20 to 24 years	906	784	14.3	13.2	12.6	12.0	11.0	11.8
25 to 29 years	339	276	8.3	7.9	6.8	7.3	6.6	6.0
30 to 34 years	199	176	5.4	7.1	6.0	4.8	5.5	4.9

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

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

[3] Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.

[4] Includes mining, not shown separately.

[5] Vietnam-era veterans are those who served between August 5, 1964, and April 30, 1975.

Table A-3. Selected employment indicators

[In thousands]

Selected categories	Not seasonally adjusted		Seasonally adjusted					
	Mar. 1975	Mar. 1976	Mar. 1975	Nov. 1975	Dec. 1975	Jan. 1976	Feb. 1976	Mar. 1976
Total employed, 16 years and over	83,036	85,588	84,110	85,178	85,394	86,194	86,319	86,692
Males	50,010	50,981	50,952	51,325	51,390	51,761	51,870	51,944
Females	33,026	34,606	33,158	33,853	34,004	34,433	34,449	34,784
Household heads	49,365	50,484	49,677	50,316	50,332	50,628	50,737	50,789
Married men, spouse present	37,425	37,706	37,784	37,858	37,739	37,996	37,931	38,087
Married women, spouse present	19,367	20,061	19,337	19,833	19,859	20,065	19,976	20,001
OCCUPATION								
White-collar workers	42,031	43,493	42,001	42,253	42,326	42,797	43,028	43,458
Professional and technical	12,915	13,455	12,671	12,795	13,026	13,166	13,094	13,204
Managers and administrators, except farm	8,713	9,216	8,794	9,077	8,837	9,044	9,135	9,300
Sales workers	5,349	5,328	5,422	5,269	5,296	5,224	5,333	5,398
Clerical workers	15,055	15,494	15,114	15,112	15,167	15,363	15,466	15,556
Blue-collar workers	26,772	27,775	27,518	28,126	28,408	28,759	28,725	28,545
Craft and kindred workers	10,514	10,842	10,698	11,018	11,265	11,266	11,297	11,030
Operatives	12,447	12,967	12,662	13,010	13,043	13,303	13,214	13,191
Nonfarm laborers	3,812	3,965	4,158	4,098	4,100	4,190	4,214	4,324
Service workers	11,632	11,830	11,586	11,872	11,837	11,926	11,848	11,781
Farm workers	2,600	2,490	2,822	2,838	2,782	2,868	2,772	2,712
MAJOR INDUSTRY AND CLASS OF WORKER								
Agriculture:								
Wage and salary workers	1,059	1,162	1,201	1,262	1,231	1,300	1,295	1,317
Self-employed workers	1,649	1,510	1,712	1,687	1,663	1,649	1,596	1,568
Unpaid family workers	260	225	354	349	300	331	300	284
Nonagricultural industries:								
Wage and salary workers	74,019	76,648	74,739	75,468	76,038	76,568	77,023	77,376
Private households	1,337	1,292	1,354	1,307	1,309	1,287	1,200	1,308
Government	14,632	15,265	14,365	14,628	14,719	14,779	14,891	14,980
Other	58,050	60,091	59,020	59,533	60,010	60,502	60,932	61,088
Self-employed workers	5,497	5,544	5,545	5,991	5,683	5,693	5,684	5,594
Unpaid family workers	531	498	473	540	510	528	490	444
PERSONS AT WORK[1]								
Nonagricultural industries	76,620	78,933	75,853	77,103	77,380	78,506	78,399	78,167
Full-time schedules	61,579	64,264	61,656	63,141	63,730	64,211	64,381	64,328
Part time for economic reasons	3,683	3,123	3,799	3,353	3,243	3,482	3,262	3,266
Usually work full time	1,906	1,276	1,839	1,405	1,332	1,415	1,308	1,230
Usually work part time	1,777	1,847	1,960	1,948	1,911	2,067	1,954	2,036
Part time for noneconomic reasons	11,358	11,546	10,398	10,609	10,407	10,813	10,755	10,573

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

Table A-4. Duration of unemployment

[Numbers in thousands]

Weeks of unemployment	Not seasonally adjusted		Seasonally adjusted					
	Mar. 1975	Mar. 1976	Mar. 1975	Nov. 1975	Dec. 1975	Jan. 1976	Feb. 1976	Mar. 1976
Less than 5 weeks	2,830	2,332	3,165	2,641	2,648	2,706	2,686	2,609
5 to 14 weeks	2,975	2,231	2,540	2,469	2,244	2,091	1,856	1,905
15 weeks and over	2,553	2,961	1,978	3,004	3,080	2,785	2,515	2,294
15 to 26 weeks	1,699	1,349	1,240	1,286	1,413	1,155	957	903
27 weeks and over	855	1,612	738	1,718	1,667	1,630	1,558	1,391
Average (mean) duration, in weeks	13.0	18.0	11.4	16.9	17.0	16.9	16.2	15.8
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	33.9	31.0	41.2	32.5	33.2	35.7	38.1	38.3
5 to 14 weeks	35.6	29.7	33.1	30.4	28.1	27.6	26.3	28.0
15 weeks and over	30.5	39.4	25.7	37.0	38.6	36.7	35.6	33.7
15 to 26 weeks	20.3	17.9	16.1	15.8	17.7	15.2	13.6	13.3
27 weeks and over	10.2	21.4	9.6	21.2	20.9	21.5	22.1	20.4

Table A-5. Reasons for unemployment

[Numbers in thousands]

Reason	Not seasonally adjusted		Seasonally adjusted					
	Mar. 1975	Mar. 1976	Mar. 1975	Nov. 1975	Dec. 1975	Jan. 1976	Feb. 1976	Mar. 1976
NUMBER OF UNEMPLOYED								
Lost last job	5,120	4,232	4,216	4,444	3,955	3,481	3,440	3,502
Left last job	792	762	790	872	862	849	848	760
Reentered labor force	1,802	1,773	1,887	1,846	1,975	1,985	1,864	1,857
Seeking first job	646	738	761	837	865	886	849	853
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	61.2	56.5	55.1	55.6	51.7	48.3	49.1	50.2
Job leavers	9.5	10.1	10.3	10.9	11.3	11.8	12.1	10.9
Reentrants	21.6	23.6	24.7	23.1	25.8	27.6	26.6	26.6
New entrants	7.7	9.8	9.9	10.5	11.3	12.3	12.1	12.2
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE								
Job losers	5.6	4.6	4.6	4.8	4.2	3.7	3.7	3.7
Job leavers	.9	.8	.9	.9	.9	.9	.9	.8
Reentrants	2.0	1.9	2.1	2.0	2.1	2.1	2.0	2.0
New entrants	.7	.8	.8	.9	.9	.9	.9	.9

Table A-6. Unemployment by sex and age

Sex and age	Not seasonally adjusted			Seasonally adjusted unemployment rates					
	Thousands of persons		Percent looking for full-time work						
	Mar. 1975	Mar. 1976	Mar. 1976	Mar. 1975	Nov. 1975	Dec. 1975	Jan. 1976	Feb. 1976	Mar. 1976
Total, 16 years and over	8,359	7,525	81.2	8.5	8.5	8.3	7.8	7.6	7.5
16 to 19 years	1,677	1,621	53.1	20.1	19.0	19.6	19.9	19.2	19.1
16 to 17 years	750	682	26.0	21.5	20.1	20.6	21.2	21.4	20.0
18 to 19 years	927	939	72.7	19.1	18.1	18.9	19.0	17.5	18.6
20 to 24 years	1,952	1,734	88.4	13.9	14.2	13.5	12.7	12.1	12.1
25 years and over	4,730	4,170	89.2	5.9	6.1	5.9	5.4	5.3	5.1
25 to 64 years	3,978	3,393	90.7	6.2	6.4	6.2	5.5	5.5	5.2
65 years and over	752	776	82.7	4.6	5.0	5.0	4.5	4.8	4.8
Males, 16 years and over	4,390	4,317	84.8	7.7	8.1	7.6	7.1	6.9	6.8
16 to 19 years	923	896	51.8	20.1	18.8	19.0	20.1	19.3	19.3
16 to 17 years	411	393	23.2	20.8	19.6	19.3	21.5	21.0	20.8
18 to 19 years	512	503	74.2	19.5	18.2	18.7	19.6	17.8	18.4
20 to 24 years	1,178	1,004	89.2	14.4	14.6	13.8	12.8	11.9	12.0
25 years and over	2,788	2,417	95.2	5.2	5.8	5.4	4.7	4.6	4.5
25 to 64 years	2,320	1,918	97.6	5.3	6.0	5.6	4.8	4.6	4.3
55 years and over	468	500	85.8	4.6	4.8	4.7	4.2	4.6	5.0
Females, 16 years and over	3,469	3,208	76.3	9.6	9.1	9.3	8.9	8.7	8.5
16 to 19 years	753	726	54.5	20.2	19.1	20.3	19.6	19.1	18.9
16 to 17 years	339	290	29.7	22.5	20.7	22.2	20.8	21.7	19.1
18 to 19 years	414	436	71.1	18.5	17.9	19.1	18.4	17.2	18.8
20 to 24 years	774	730	87.1	13.4	13.7	13.1	12.7	12.2	12.2
25 years and over	1,942	1,753	80.8	7.1	6.7	6.8	6.4	6.4	6.2
25 to 64 years	1,658	1,477	81.5	7.6	7.0	7.2	6.6	6.9	6.5
65 years and over	285	276	76.8	4.7	5.3	5.4	5.1	5.0	4.5

Table B-1. Employees on nonagricultural payrolls, by industry

[In thousands]

Industry	Not seasonally adjusted				Seasonally adjusted					
	Mar. 1975	Jan. 1976	Feb. 1976^p	Mar. 1976^p	Mar. 1975	Nov. 1975	Dec. 1975	Jan. 1976	Feb. 1976^p	Mar. 1976^p
TOTAL	75,776	77,091	77,293	77,791	76,468	77,574	77,796	78,179	78,320	78,511
GOODS PRODUCING	21,953	22,312	22,297	22,483	22,422	22,657	22,743	22,914	22,885	22,952
MINING	719	756	754	761	729	766	769	764	765	772
CONTRACT CONSTRUCTION	3,197	3,061	3,001	3,085	3,467	3,409	3,406	3,428	3,361	3,346
MANUFACTURING	18,037	18,495	18,542	18,637	18,226	18,482	18,568	18,722	18,759	18,834
Production workers	12,757	13,213	13,291	13,378	12,915	13,222	13,311	13,448	13,491	13,545
DURABLE GOODS	10,632	10,717	10,739	10,811	10,728	10,653	10,717	10,820	10,848	10,914
Production workers	7,484	7,604	7,629	7,695	7,561	7,539	7,603	7,698	7,728	7,777
Ordnance and accessories	175.6	162.8	161.3	161.2	177	161	163	162	162	162
Lumber and wood products	523.9	569.1	575.5	581.1	539	576	581	592	596	598
Furniture and fixtures	430.2	476.5	480.9	482.7	434	470	473	477	485	487
Stone, clay, and glass products	597.5	595.6	594.2	600.0	610	616	616	616	613	613
Primary metal industries	1,214.0	1,156.3	1,156.9	1,161.1	1,218	1,146	1,158	1,162	1,166	1,165
Fabricated metal products	1,320.3	1,347.1	1,351.1	1,359.7	1,336	1,339	1,344	1,358	1,369	1,376
Machinery, except electrical	2,132.6	2,041.0	2,046.5	2,052.9	2,128	2,032	2,030	2,039	2,042	2,049
Electrical equipment	1,755.5	1,779.8	1,787.4	1,797.4	1,773	1,764	1,773	1,785	1,795	1,816
Transportation equipment	1,606.8	1,693.0	1,679.4	1,704.2	1,624	1,648	1,676	1,712	1,698	1,723
Instruments and related products	486.8	495.4	497.9	499.9	490	492	494	498	501	503
Miscellaneous manufacturing	388.7	399.9	405.4	411.1	399	409	409	419	421	422
NONDURABLE GOODS	7,405	7,778	7,803	7,826	7,498	7,829	7,851	7,902	7,911	7,920
Production workers	5,273	5,639	5,662	5,683	5,354	5,683	5,708	5,750	5,763	5,768
Food and kindred products	1,592.9	1,637.2	1,633.0	1,617.5	1,659	1,688	1,688	1,700	1,710	1,685
Tobacco manufactures	72.3	79.1	75.0	68.9	77	81	79	79	77	73
Textile mill products	844.6	955.6	962.5	964.4	845	950	955	958	964	965
Apparel and other textile products	1,181.2	1,234.7	1,303.4	1,322.4	1,180	1,290	1,299	1,314	1,303	1,321
Paper and allied products	630.6	659.6	661.8	661.2	636	652	658	665	668	667
Printing and publishing	1,086.5	1,068.6	1,065.2	1,069.2	1,089	1,072	1,074	1,069	1,066	1,071
Chemicals and allied products	1,005.5	1,016.3	1,018.5	1,025.8	1,009	1,020	1,018	1,024	1,028	1,029
Petroleum and coal products	189.1	197.8	197.1	199.3	194	202	201	203	203	204
Rubber and plastics products, nec.	559.0	608.6	613.5	620.2	564	604	608	615	617	625
Leather and leather products	243.0	270.3	273.4	277.1	245	270	271	275	275	280
SERVICE-PRODUCING	53,825	54,779	54,996	55,308	54,046	54,917	55,053	55,265	55,435	55,559
TRANSPORTATION AND PUBLIC UTILITIES	4,470	4,440	4,446	4,469	4,506	4,496	4,477	4,494	4,518	4,505
WHOLESALE AND RETAIL TRADE	16,530	17,026	16,902	17,000	16,851	17,010	17,080	17,233	17,302	17,357
WHOLESALE TRADE	4,136	4,189	4,191	4,201	4,178	4,174	4,190	4,214	4,238	4,243
RETAIL TRADE	12,394	12,837	12,711	12,799	12,673	12,836	12,890	13,019	13,064	13,114
FINANCE, INSURANCE, AND REAL ESTATE	4,178	4,223	4,230	4,247	4,207	4,248	4,264	4,266	4,268	4,277
SERVICES	13,753	14,049	14,185	14,269	13,864	14,188	14,229	14,307	14,357	14,364
GOVERNMENT	14,894	15,041	15,233	15,323	14,618	14,975	15,003	14,965	14,990	15,036
FEDERAL	2,724	2,724	2,726	2,732	2,733	2,761	2,755	2,746	2,740	2,740
STATE AND LOCAL	12,170	12,317	12,507	12,591	11,885	12,214	12,248	12,219	12,250	12,296

p=preliminary.

Table B-2. Average weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	Mar. 1975	Jan. 1976	Feb. 1976^{p}	Mar. 1976^{p}	Mar. 1975	Nov. 1975	Dec. 1975	Jan. 1976	Feb. 1976^{p}	Mar. 1976^{p}
TOTAL PRIVATE	35.6	36.0	36.1	35.9	35.9	36.3	36.4	36.5	36.5	36.2
MINING	41.3	42.5	42.6	41.6	41.9	42.9	42.8	43.0	43.0	42.2
CONTRACT CONSTRUCTION	34.7	36.0	36.6	N. A.	34.9	36.8	37.3	37.7	38.0	N. A.
MANUFACTURING	38.7	39.9	40.0	40.0	38.9	39.9	40.3	40.5	40.4	40.2
Overtime hours	2.2	2.8	2.9	3.0	2.3	2.8	3.0	3.0	3.1	3.2
DURABLE GOODS	39.4	40.3	40.5	40.5	39.5	40.2	40.7	40.9	40.8	40.6
Overtime hours	2.2	2.7	2.9	3.0	2.3	2.7	2.9	2.9	3.1	3.1
Ordnance and accessories	41.5	41.2	40.9	41.1	41.3	41.7	41.3	41.4	40.8	40.9
Lumber and wood products	37.8	39.7	39.9	39.5	38.0	39.4	40.2	40.8	40.4	39.7
Furniture and fixtures	36.3	38.7	38.7	38.6	36.6	39.1	39.5	39.4	39.4	38.9
Stone, clay, and glass products	39.5	40.4	40.7	40.7	39.6	40.9	41.3	41.5	41.4	40.8
Primary metal industries	40.0	40.3	40.5	40.7	40.0	40.2	40.3	40.4	40.7	40.7
Fabricated metal products	39.5	40.4	40.5	40.6	39.7	40.5	41.1	41.0	41.0	40.8
Machinery, except electrical	41.0	41.1	41.1	41.1	40.9	40.9	41.2	41.3	41.2	41.0
Electrical equipment	39.1	40.0	39.9	40.0	39.2	39.6	40.1	40.4	40.2	40.1
Transportation equipment	38.9	40.9	41.7	41.8	39.1	40.8	41.9	41.7	42.0	42.1
Instruments and related products	39.0	40.1	39.9	40.2	39.1	39.9	40.3	40.4	40.1	40.3
Miscellaneous manufacturing	37.7	38.4	38.6	38.9	37.7	38.6	39.2	39.1	38.8	38.9
NONDURABLE GOODS	37.7	39.4	39.3	39.3	37.9	39.5	39.7	39.9	39.7	39.5
Overtime hours	2.1	3.0	2.9	3.0	2.2	3.0	3.2	3.3	3.1	3.2
Food and kindred products	39.7	40.3	39.7	39.8	40.2	40.4	40.5	40.7	40.4	40.3
Tobacco manufactures	37.6	38.6	38.1	38.0	38.6	39.7	37.7	39.1	39.3	39.0
Textile mill products	36.8	40.8	40.6	40.5	36.9	41.0	41.2	41.4	40.9	40.6
Apparel and other textile products	33.8	35.8	36.1	36.1	33.8	36.1	36.6	36.6	36.4	36.1
Paper and allied products	40.2	42.5	42.2	42.2	40.5	42.4	42.9	42.7	42.7	42.5
Printing and publishing	36.9	37.2	37.2	37.5	37.0	37.3	37.6	37.8	37.6	37.6
Chemicals and allied products	40.4	41.4	41.4	41.5	40.4	41.4	41.7	41.6	41.6	41.5
Petroleum and coal products	41.2	41.7	41.5	42.2	41.7	42.0	41.8	42.5	42.3	42.8
Rubber and plastics products, nec	38.5	40.6	40.6	40.7	38.7	40.0	40.6	40.9	40.9	40.9
Leather and leather products	34.9	38.1	38.2	38.5	35.3	38.4	38.7	38.6	38.4	38.9
TRANSPORTATION AND PUBLIC UTILITIES	39.3	39.3	39.4	39.2	39.7	39.6	39.9	39.6	39.7	39.6
WHOLESALE AND RETAIL TRADE	33.5	33.4	33.4	33.4	33.9	33.8	33.9	33.9	33.9	33.8
WHOLESALE TRADE	38.4	38.7	38.5	38.4	38.6	38.7	38.8	38.9	38.8	38.6
RETAIL TRADE	32.0	31.9	31.9	31.9	32.5	32.5	32.4	32.5	32.5	32.4
FINANCE, INSURANCE, AND REAL ESTATE	36.5	36.5	36.6	36.3	36.6	36.7	36.4	36.5	36.6	36.4
SERVICES	33.6	33.5	33.5	33.4	33.8	33.9	33.6	33.7	33.7	33.6

[1] Data relate to production workers in mining and manufacturing: to construction workers in contract construction: and to 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 employment on private nonagricultural payrolls.

p=preliminary.

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry

Industry	Average hourly earnings				Average weekly earnings			
	Mar. 1975	Jan. 1976	Feb. 1976[p]	Mar. 1976[p]	Mar. 1975	Jan. 1976	Feb. 1976[p]	Mar. 1976[p]
TOTAL PRIVATE	$4.44	$4.72	$4.74	$4.74	$158.06	$169.92	$171.11	$170.17
Seasonally adjusted	4.46	4.73	4.75	4.76	160.11	172.65	173.38	172.31
MINING	5.75	6.27	6.31	6.28	237.48	266.46	268.81	261.25
CONTRACT CONSTRUCTION	7.14	7.50	7.49	N. A.	247.76	270.00	274.13	N. A.
MANUFACTURING	4.72	5.02	5.04	5.07	182.66	200.30	201.60	202.80
DURABLE GOODS	5.02	5.38	5.40	5.43	197.79	216.81	218.70	219.92
Ordnance and accessories	5.09	5.49	5.55	5.58	211.24	226.19	227.00	229.34
Lumber and wood products	4.14	4.46	4.47	4.49	156.49	177.06	178.35	177.36
Furniture and fixtures	3.69	3.86	3.87	3.89	133.95	149.38	149.77	150.15
Stone, clay, and glass products	4.72	5.05	5.07	5.09	186.44	204.02	206.35	207.16
Primary metal industries	6.01	6.51	6.56	6.62	240.40	262.35	265.68	269.43
Fabricated metal products	4.90	5.29	5.30	5.34	193.55	213.72	214.65	216.80
Machinery, except electrical	5.24	5.61	5.64	5.65	214.84	230.57	231.80	232.22
Electrical equipment	4.48	4.77	4.78	4.82	175.17	190.80	190.72	192.80
Transportation equipment	5.84	6.35	6.39	6.45	227.18	259.72	266.46	269.61
Instruments and related products	4.49	4.75	4.76	4.78	175.11	190.48	189.92	192.16
Miscellaneous manufacturing	3.73	3.97	3.96	3.98	140.62	152.45	152.86	154.82
NONDURABLE GOODS	4.27	4.53	4.54	4.56	160.98	178.48	178.42	179.21
Food and kindred products	4.48	4.81	4.83	4.86	177.86	193.84	191.75	193.43
Tobacco manufactures	4.69	4.84	4.89	5.03	176.34	186.82	186.31	191.14
Textile mill products	3.31	3.57	3.56	3.57	121.81	145.66	144.54	144.56
Apparel and other textile products	3.16	3.33	3.33	3.37	106.81	119.21	120.21	121.66
Paper and allied products	4.78	5.25	5.25	5.27	192.16	223.13	221.55	222.39
Printing and publishing	5.23	5.53	5.55	5.58	192.99	205.72	206.46	209.25
Chemicals and allied products	5.19	5.66	5.68	5.69	209.68	234.32	235.15	236.14
Petroleum and coal products	6.27	6.96	7.03	7.08	258.32	290.23	291.75	298.78
Rubber and plastics products, nec	4.23	4.50	4.52	4.53	162.86	182.70	183.51	184.37
Leather and leather products	3.21	3.37	3.39	3.35	112.03	128.40	129.50	128.98
TRANSPORTATION AND PUBLIC UTILITIES	5.72	6.23	6.25	6.26	224.80	244.84	246.25	245.39
WHOLESALE AND RETAIL TRADE	3.68	3.89	3.89	3.89	123.28	129.93	129.93	129.93
WHOLESALE TRADE	4.80	5.05	5.06	5.07	184.32	195.44	194.81	194.69
RETAIL TRADE	3.27	3.47	3.47	3.47	104.64	110.69	110.69	110.69
FINANCE, INSURANCE, AND REAL ESTATE	4.09	4.26	4.32	4.31	149.29	155.49	158.11	156.45
SERVICES	4.00	4.26	4.29	4.28	134.40	142.71	143.72	142.95

[1] See footnote 1, table B-2.

p-preliminary.

Table B-4. Hourly earnings index for production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry division, seasonally adjusted

[1967=100]

Industry	Mar. 1975	Oct. 1975	Nov. 1975	Dec. 1975	Jan. 1976	Feb.P 1976	Mar.P 1976	Percent change from Mar. 1975–Mar. 1976	Percent change from Feb. 1976–Mar. 1976
TOTAL PRIVATE NONFARM:									
Current dollars	169.1	176.7	178.2	178.6	179.6	180.6	181.2	7.2	0.3
Constant (1967) dollars	107.1	107.4	107.7	107.3	107.5	107.9	N.A.	(2)	(3)
MINING	178.5	188.9	189.4	190.2	192.2	194.4	194.7	9.1	.1
CONTRACT CONSTRUCTION	173.7	177.7	179.2	180.3	180.0	180.8	N. A.	5.6	N. A.
MANUFACTURING	167.7	176.0	176.9	177.6	178.8	179.7	180.8	7.8	.6
TRANSPORTATION AND PUBLIC UTILITIES	176.8	188.8	190.7	190.5	192.2	192.7	193.5	9.4	.4
WHOLESALE AND RETAIL TRADE	164.8	171.9	172.9	172.4	174.0	173.9	174.4	5.8	.3
FINANCE, INSURANCE, AND REAL ESTATE	159.8	163.8	167.1	165.1	165.9	167.6	168.1	5.2	.3
SERVICES	172.8	179.4	182.2	182.6	184.6	185.2	184.8	6.9	- .2

[1] See footnote 1, table B-2.

[2] Percent change was 1.2 from February 1975 to February 1976, the latest month available.

[3] Percent change was 0.4 from January 1976 to February 1976, the latest month available.

N.A. = not available.

p=preliminary.

NOTE: All series are in current dollars except where indicated. The index excludes effects of two types of changes that are unrelated to underlying wage-rate developments: Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries.

Table B-5. Indexes of aggregate weekly man-hours of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry, seasonally adjusted

[1967 = 100]

Industry division and group	1975 Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1976 Jan.	Feb.p	Mar.p
TOTAL	105.9	106.0	106.3	106.0	106.2	107.4	107.9	108.4	108.8	109.3	110.3	110.6	110.1
GOODS-PRODUCING	88.4	89.2	89.4	88.9	89.3	91.2	92.4	92.7	92.9	94.3	95.5	95.3	94.4
MINING	115.9	113.7	119.4	118.4	118.8	118.6	119.9	125.0	124.7	125.7	125.2	124.4	123.5
CONTRACT CONSTRUCTION	94.5	99.0	99.3	94.9	96.2	98.3	98.6	97.3	97.7	98.8	100.3	98.6	N. A.
MANUFACTURING	86.4	86.6	86.6	86.8	87.1	89.0	90.3	90.8	90.9	92.5	93.7	93.7	93.8
DURABLE GOODS	86.6	86.5	85.4	85.2	84.9	86.7	87.7	87.8	88.1	90.0	91.3	91.6	91.8
Ordnance and accessories	47.7	47.7	47.5	46.9	44.7	43.7	43.0	42.9	40.8	41.5	41.6	41.0	41.1
Lumber and wood products	81.6	82.5	84.4	85.8	86.7	88.8	90.1	92.1	90.8	93.4	97.0	96.4	95.3
Furniture and fixtures	83.9	85.8	87.7	87.2	88.7	92.6	97.4	97.9	99.2	101.0	101.5	103.6	102.5
Stone, clay, and glass products	91.2	92.6	92.6	92.4	93.1	94.5	95.7	95.7	96.2	97.1	97.6	97.0	95.2
Primary metal industries	87.3	84.1	82.1	80.8	80.0	81.7	83.5	81.9	82.3	83.6	84.1	85.1	84.8
Fabricated metal products	90.2	90.1	89.0	88.5	86.7	90.9	92.0	92.8	92.7	94.6	95.7	96.6	96.7
Machinery, except electrical	98.3	96.6	93.1	91.3	90.4	91.0	91.8	91.9	92.0	92.5	93.4	93.5	93.5
Electrical equipment and supplies	84.3	83.3	81.9	81.8	81.6	84.3	84.9	85.8	85.5	87.5	89.0	89.3	90.3
Transportation equipment	77.	[illegible]	80.2	81.4	82.0	82.9	82.2	81.5	83.1	87.3	89.0	89.0	90.7
Instruments and related products	98.3	98.2	97.1	97.0	98.1	97.2	99.4	100.8	101.7	103.4	105.0	104.9	105.8
Miscellaneous manufacturing, Ind.	85.6	86.0	86.5	87.0	87.7	89.0	91.4	91.3	90.8	91.7	94.4	93.9	94.5
NONDURABLE GOODS	86.0	86.7	88.2	89.1	90.2	92.4	94.1	95.1	95.0	96.2	97.1	96.9	96.7
Food and kindred products	92.6	92.4	92.9	93.1	93.4	96.1	96.9	96.5	95.1	95.4	96.9	97.0	94.9
Tobacco manufactures	86.7	83.4	80.3	86.7	80.8	85.8	88.1	85.6	93.4	87.4	90.6	88.3	82.2
Textile mill products	77.2	80.8	85.7	87.0	88.5	93.0	96.4	98.1	98.0	99.1	99.7	99.1	98.6
Apparel and other textile products	76.5	78.5	79.8	82.4	84.6	85.3	87.8	90.0	90.1	92.1	93.1	92.0	92.4
Paper and allied products	85.3	84.5	85.7	86.4	87.6	89.6	91.3	92.0	92.6	94.7	95.2	95.9	95.5
Printing and publishing	93.9	92.6	92.0	91.2	90.9	92.4	91.9	91.8	92.4	93.5	93.4	92.4	92.9
Chemicals and allied products	92.4	91.4	92.7	92.6	93.0	94.5	96.1	97.4	97.6	98.1	98.5	99.0	99.0
Petroleum and coal products	104.0	101.4	104.4	105.3	107.2	107.3	108.9	110.2	111.6	111.1	113.8	114.2	116.4
Rubber and plastics products, nec	100.4	102.1	105.1	105.1	106.9	110.6	113.0	114.7	113.5	116.2	118.8	119.3	121.0
Leather and leather products	63.0	65.8	66.8	69.6	71.4	72.1	74.9	77.2	77.2	78.1	79.3	78.9	81.2
SERVICE-PRODUCING	118.1	117.6	118.0	117.8	118.0	118.7	118.7	119.3	119.8	119.7	120.6	121.1	120.9
TRANSPORTATION AND PUBLIC UTILITIES	102.1	102.3	100.3	100.6	100.3	100.5	101.1	101.2	101.5	101.7	101.5	102.4	101.9
WHOLESALE AND RETAIL TRADE	113.9	113.4	113.9	113.7	114.0	114.6	114.6	115.1	115.2	115.5	116.8	117.2	117.0
WHOLESALE TRADE	111.6	111.5	111.4	110.3	110.8	111.0	111.3	112.0	111.5	112.3	113.4	113.6	113.1
RETAIL TRADE	114.8	114.0	114.8	115.0	115.2	115.9	115.8	116.2	116.6	116.6	118.1	118.5	118.5
FINANCE, INSURANCE, AND REAL ESTATE	123.6	122.1	122.9	123.2	122.3	122.9	123.5	123.7	125.1	124.5	125.1	125.5	125.1
SERVICES	129.6	129.3	130.3	129.9	130.4	131.4	131.1	132.0	133.1	132.3	133.3	133.8	133.7

[1] See footnote 1, table B-2.

p=preliminary.

Table B-6. Indexes of diffusion: Percent of industries in which employment[1] increased

Year and month	Over 1-month span	Over 3-month span	Over 6-month span	Over 12-month span
1973				
January	76.7	84.0	81.7	81.1
February	75.0	83.7	79.4	80.8
March	73.8	76.2	79.4	82.6
April	62.5	71.5	74.7	81.4
May	59.9	70.3	72.1	79.7
June	68.0	63.1	66.6	78.5
July	55.8	66.9	72.1	75.6
August	63.1	64.8	72.7	73.5
September	61.6	74.7	73.0	69.2
October	72.7	75.9	75.6	66.0
November	75.0	76.5	70.3	66.6
December	66.6	70.1	66.0	64.2
1974				
January	59.3	62.8	60.8	63.4
February	52.6	53.8	55.2	59.6
March	46.5	48.0	49.7	55.2
April	47.1	48.3	48.5	50.3
May	55.2	51.7	49.7	40.1
June	53.2	52.6	45.6	28.2
July	52.3	45.1	37.2	27.0
August	45.9	39.2	31.1	22.4
September	36.0	40.4	23.3	20.9
October	37.8	28.8	17.7	18.6
November	20.1	21.5	17.2	16.6
December	18.6	13.4	13.1	14.0
1975				
January	18.6	12.5	13.4	16.6
February	16.6	13.7	13.1	17.4
March	25.0	19.2	16.3	17.4
April	40.4	35.8	27.9	20.9
May	53.8	40.4	40.1	25.9
June	40.4	48.5	60.8	40.4
July	55.2	55.8	67.4	50.3
August	73.5	80.2	67.4	62.2p
September	81.7	81.4	76.5	70.3p
October	64.8	70.3	79.4	
November	54.7	68.9	80.2p	
December	66.6	72.7	72.4p	
1976				
January	75.0	78.2p		
February	67.2p	76.5p		
March	67.4p			
April				
May				
June				
July				
August				
September				
October				
November				
December				

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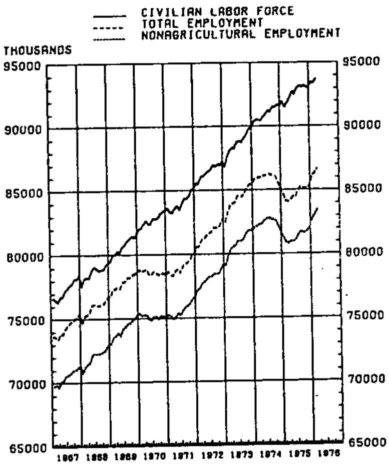
[1] Number of employees, seasonally adjusted, on payrolls of 172 private nonagricultural industries.

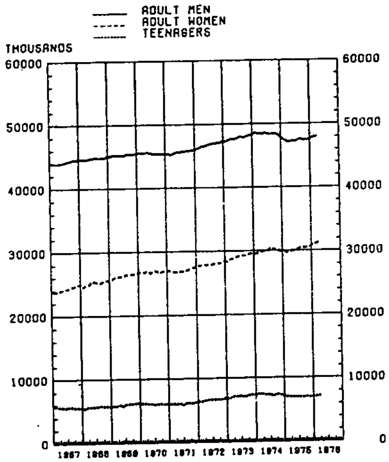
p = preliminary.

LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

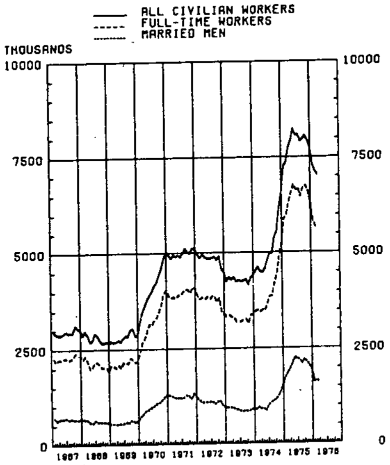
1. LABOR FORCE AND EMPLOYMENT



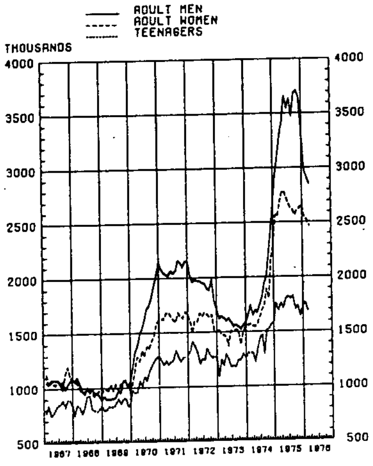
2. TOTAL EMPLOYMENT



3. UNEMPLOYMENT

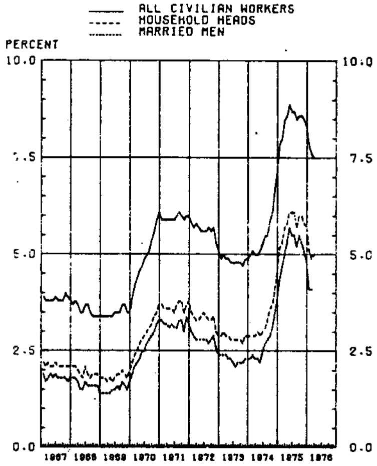


4. UNEMPLOYMENT

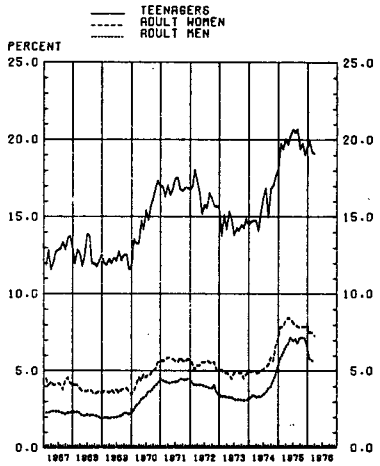


UNEMPLOYMENT RATES
HOUSEHOLD DATA - SEASONALLY ADJUSTED

5. UNEMPLOYMENT RATES



6. UNEMPLOYMENT RATES



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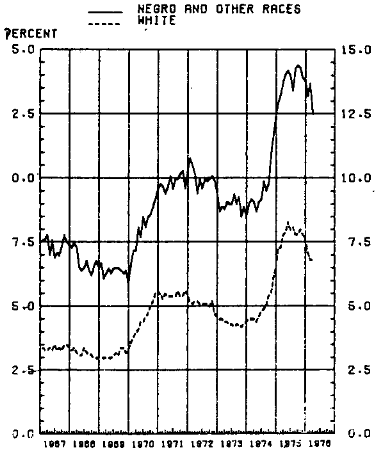
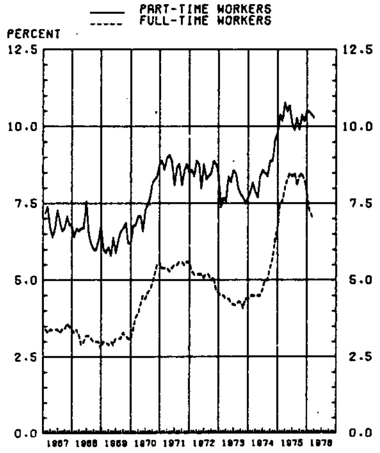
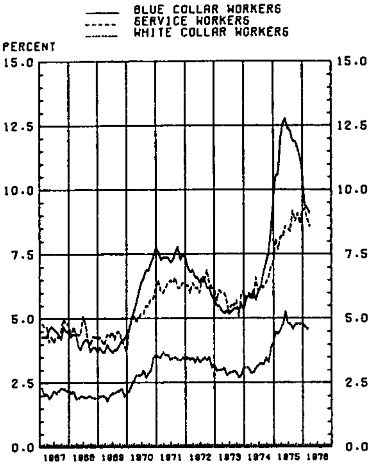


8. UNEMPLOYMENT RATES

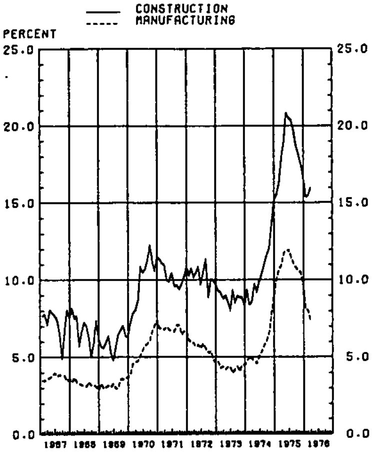


UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

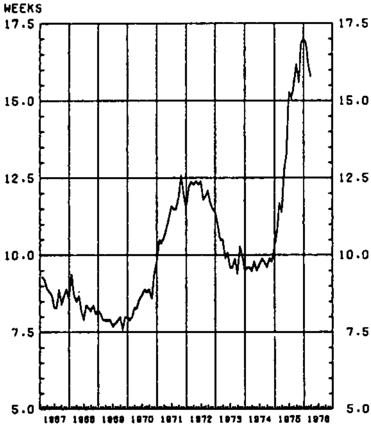
9. UNEMPLOYMENT RATES



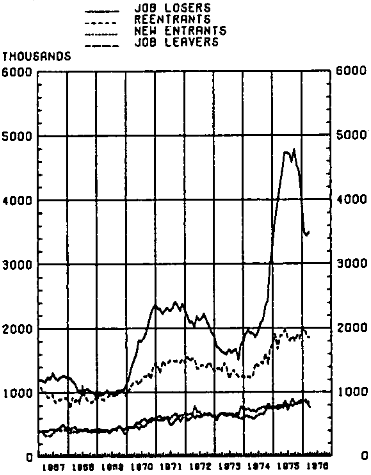
10. UNEMPLOYMENT RATES



11. AVERAGE DURATION OF UNEMPLOYMENT

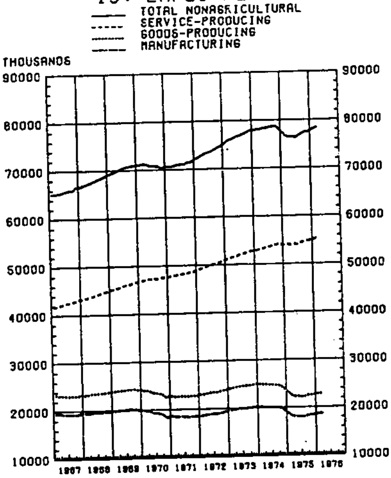


12. UNEMPLOYMENT BY REASON

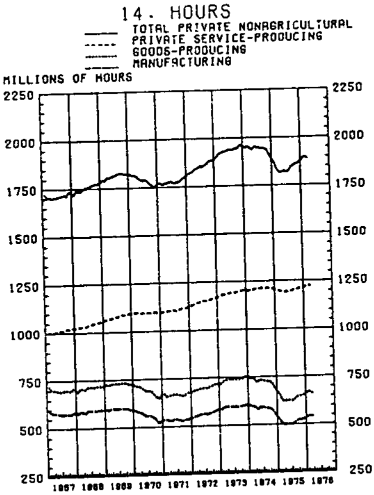


NONAGRICULTURAL EMPLOYMENT AND HOURS ESTABLISHMENT DATA - SEASONALLY ADJUSTED

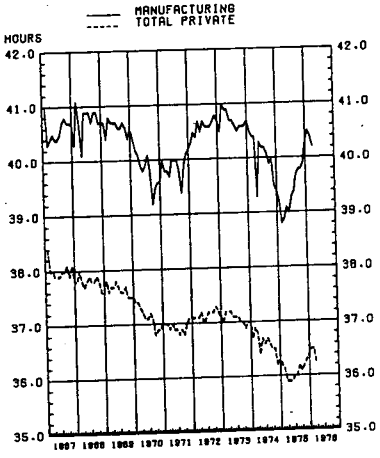
13. EMPLOYMENT



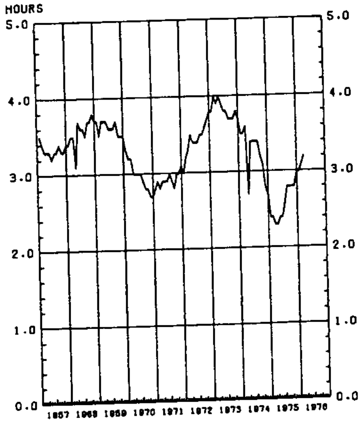
14. HOURS



15. AVERAGE WEEKLY HOURS



16. AVERAGE WEEKLY OVERTIME HOURS IN MANUFACTURING



NOTE: Charts 14 and 15 relate to production or nonsupervisory workers; chart 16 relates to production workers. Data for the 2 most recent months are preliminary in charts 13-16.

Chairman HUMPHREY. Thank you, Mr. Shiskin.

First of all, I think I should ask a question. Out of these options that you have in the definitions of unemployment you noted to us, is it not true that the U-7 rate which includes full-time jobseekers, one-half the part-time jobseekers, half of those working part time for economic reasons, and discouraged workers, is the most comprehensive survey?

Mr. SHISKIN. Well, it includes more of the persons who could possibly be defined as unemployed than any other one I have put on my list. It is very similar—there are only two minor differences between this measure and a measure which the AFL-CIO has been releasing.

Chairman HUMPHREY. I see.

Mr. SHISKIN. I want to call your attention, Senator Humphrey—and I am glad to have this opportunity—to the fact that this measure, U-7, which the AFL-CIO has been using for all practical purposes—I can go into the minor differences, if you wish me to—this measure would have very serious implications for the Humphrey-Hawkins bill, if it were to be adopted officially at some time. It would mean, in effect, since it is about 3 points higher than the official rate, that if you shifted to that measure (U-7) and if the Humphrey-Hawkins bill were to remain unchanged, it would require you to drive down the official rate to nearly zero in 4 years.

Chairman HUMPHREY. Well, now, the difference between your so-called official rate and this U-7 rate is what?

Mr. SHISKIN. U-7 includes, in addition to the unemployed, as we define them (that is, persons who are available to work, who are not working at all and who are actively seeking work) half the workers who are working part-time for economic reasons (for example, full-time work not available).

Chairman HUMPHREY. Want to work full time.

Mr. SHISKIN. Yes. They want to work full time.

Second, we include half the persons who are unemployed and seeking part-time jobs. In their estimate the AFL-CIO includes all of them. We include only half of them, because they are only looking for part-time jobs, and the average work week of voluntary part-time employed persons is about half of a full-time workweek. We feel that the logic of this is persuasive, as it seemed to us that if we were going to include half the persons who are working part time and want to work full time, then we ought also include only half the ones who are looking for part-time jobs.

And finally, our measure, U-7, includes the discouraged workers. Now, the discouraged workers are persons—I will remind the committee—who say they would like to have a job, but they are not actively looking for work. Our official view on that, which follows President Kennedy's Commission (Gordon Commission) recommendations, is that a person who is not meeting the market test of actively seeking work, is unemployed. This is a free market economy. In the labor market, employers and employees are brought together. There is a market test. The test is, are you actively seeking work?

Our view is that—and it was the view of the Gordon Commission, which President Kennedy appointed—that unless a person meets the market test and actively is seeking work, he or she should not be counted as unemployed. However, we do provide the figures and that is how the AFL–CIO gets them. Now, in the first quarter of 1976, the U–7 measure was arrived at by combining 5.7 million full-time jobseekers, 700,000 part-time jobseekers (half of 1.4 million), 1.7 million persons working part time for economic reasons (half of 3.4 million), and 900,000 discouraged workers (all of the above are rounded figures) as a percent of the civilian labor force plus the discouraged less half of the part-time labor force.

Chairman HUMPHREY. I think I should say that there is nothing in the so-called Humphrey-Hawkins bill that requires the utilization of the U–7 definition.

Mr. SHISKIN. I understand that, but I just alert you to the fact, sir, if I may, that it refers to adult unemployment, as I recall it——

Chairman HUMPHREY. That is correct.

Mr. SHISKIN. That adult unemployment, in the latest version is anyone 16 years or more.

Chairman HUMPHREY. Eighteen years or more.

Mr. SHISKIN. Is that right? Well, I think that is an improvement. But in the event that a definitional change were to be made, you would have to make an appropriate change in the bill, or else you would have an even more——

Chairman HUMPHREY. That is correct. I just wanted the record clear.

Mr. SHISKIN. And I just wanted to take this opportunity to alert you to that potential problem.

Chairman HUMPHREY. Now, I notice one other thing here, that while you point out that there is a relatively strong improvement in employment and a more limited improvement in unemployment, that you also note that the total aggregate hours of work has declined slightly.

Mr. SHISKIN. Yes.

Chairman HUMPHREY. To what do you attribute that?

Mr. SHISKIN. Well, you know, sir, these are 1 month's figures. We have had, I think, 9 consecutive months of rises in aggregate hours. When the economy improves, no measure goes up every single month, or comes down every single month; there are occasional movements in the opposite direction. This may be one of them.

The figures we got this month for contract construction looked especially unreasonable. They showed very extreme movements, and we have actually dropped them from the final release.

Chairman HUMPHREY. Manufacturing hours are down, are they not?

Mr. SHISKIN. No, they stayed about the same. The average workweek is down.

Chairman HUMPHREY. That is what I mean.

Mr. SHISKIN. But employment is up, so aggregate hours came out about even.

Chairman HUMPHREY. The average workweek——

Mr. SHISKIN. Is down. It is interesting—the average workweek is down, but overtime is up.

Chairman HUMPHREY. Modestly; it is not——

Mr. SHISKIN. I believe we just need to wait a month or two to see if it is the beginning of a new trend, or whether it is just an erratic movement.

Chairman HUMPHREY. You had, in your statistical charts, some indication of a downward trend in the male labor force participation. You talked about that, you may remember, a month ago. The participation rate for women has climbed by one percentage point. The labor force participation rate for men has fallen by one percentage point in just the last year.

I believe we were seeking some guidance from you and some of your insights on this in our most recent hearing. Why have men been leaving the labor force in such numbers? Do you have any idea? Are most of these discouraged workers who will reenter the labor force when their employment prospects improve, or are they out for good? What do these people do after they have left the labor force?

That is a series of questions, but it all fits into the same general thrust of what I am trying to find out. What is the development here?

Mr. SHISKIN. We do not know. What surprises me is that this trend of declining labor force participation on the part of males is not only for the older males but is pervasive among all age groups over 25.

Chairman HUMPHREY. I was going to ask you if you had any information on age or racial composition.

Mr. SHISKIN. Well, we have the information on age, which I distributed last month, and it showed that all the 25- to 55-age groups showed this declining trend. The oldest work group stabilized. We do not know why this trend persists.

What it would take, sir, I think, to be able to answer the kinds of questions you raise, is a series of in-depth interviews with males who have left the labor force, to find out what they are doing, why they left. But that is not part of our regular survey. We have not done that. I might also note, however, that the incidence of discouragement, as we measure it at present, continues to be low among males and this is not a likely explanation for their declining labor force participation, which has been a long-term downtrend.

Chairman HUMPHREY. I just have one more question before I turn to my colleagues here. Your statistics today show that there are 7.2 million teenagers employed. The number is rising. Now, there is a widely held opinion, you know, that increases in the minimum wage make teenagers too expensive for employers to hire, and that the minimum wage for teenagers should be lower than that for adult workers.

We had considerable discussion of this in our 2-day conference here on the 30th anniversary of the Employment Act. And there are strong feelings about this.

What is your estimate of the relationship between minimum wage and teenage unemployment?

Mr. SHISKIN. I really have nothing to say on that subject because, once again, we like to deal in hard facts. We deal only in hard facts. And we have made no recent studies of this problem.

I can only supplement your comment by calling your attention to table 2 attached to my statement, which shows the employment-population ratios, and among the various ratios is the employment-population ratio for teenagers. If you can find that, you can see, for example, that in March 1975—just 1 year ago—the ratio of employed teenagers to their population was 43.2. Today, it is 44. So it has gone up.

So there are more teenagers at work, and there are more teenagers unemployed, which means that many more teenagers than in the past have been coming into the labor market. Many of them are getting jobs and many have not been able to get jobs.

Chairman HUMPHREY. And of course, while the number of teenagers working is rising, the number of unemployed teenagers in the central cities, in what you would call the older cities, is going up as private employers leave the city or shun the kind of employment which teenagers are drawn to.

I just wondered, again, if you have any views on whether lowering the minimum wage for teenagers would have any benefit there, or whether a job creation program would be more efficient.

Mr. SHISKIN. Sir, I regret to say, that is not my area of expertise.

Chairman HUMPHREY. Well, what is your point of view, Mr. Shiskin?

Mr. SHISKIN. I have no informed judgment on that, and I would like to stay with what I know. You were commenting last month, much to my gratification, sir, that I have done pretty well in some things, and that is, I think, because I stick to the things I know.

Chairman HUMPHREY. Well, I guess that is a good idea, but I thought I would just try you out, because I have such a high regard for you—and this is very serious. I am being very sincere and serious with you when I say that I do believe that you can give us some valuable insights.

What does concern me, as you have heard me say before, is this difficulty in teenage employment, and of course, the ravages of unemployment on our teenage population—the tremendous loss of potential skill that comes with prolonged unemployment at that vital period of one's life. It is in that period of time, 16, 17, or 18 years of age that so many people have an opportunity to get a work experience, to learn, to get their first pattern of work conduct established.

When you have substantial numbers of teenagers never getting a job, particularly in our central cities, you have an incredible waste of human capital.

Mr. SHISKIN. I really have nothing substantial to say, and I would therefore prefer to leave my—what you consider to be a good record—intact.

Chairman HUMPHREY. Thank you very much, Mr. Shiskin. You are a wise man, but you were not too helpful.

Mr. SHISKIN. And sir, you are a very gracious chairman.

[General laughter.]

Chairman HUMPHREY. Congressman Brown.

Representative BROWN of Michigan. Thank you, Mr. Chairman.

Reflecting back on your opening remarks, I kind of wish that with your great powers of persuasion you would take the message to the American people of what a tremendous deal they have with their food situation, and that to the extent that they have such a good deal, using such a small amount of their spendable income for food, they are really causing the farmer to stay at 70 percent of parity.

Now, if you will just go across the country and say, look, you consumers, you should pay more for your food; we can get those farmers back where they belong.

Chairman HUMPHREY. No; what I would like to do is to say, I believe in fair treatment for people. I believe that people ought to be paid a good living wage. I think that is good for the country. I think business ought to be able to make a fair profit.

I think that a farmer who has to deal with the uncertainties of weather, the world markets, Government policy, and the patterns of individual human conduct, should have a chance to make a buck, that is all.

Representative BROWN of Michigan. Mr. Chairman, the only thing is, it seems to me, that in an equation of this nature, you either have to decrease the cost of things to the farmer or increase the receipts that he obtains, if you are going to improve his position.

Now, I would be in favor of having you tell the American people which should happen. Should we cut down the cost of all the products that the farmer has to buy——

Chairman HUMPHREY. That would be better.

Representative BROWN of Michigan [continuing]. The workers' hours, the person who is making the tractor should get lower wages, so that the cost of that product would come down? That way, the farmer's lot would improve. But that is beside the point.

Chairman HUMPHREY. Maybe we could reduce the price of oil.

Representative BROWN of Michigan. Mr. Shiskin, of what figures is the 10.3 figure, the U–7 figure, a percentage?

Mr. SHISKIN. In these cases, U–1 to U–7, we have insofar as possible adapted the denominator to the numerator, so that when we made the calculation for U–7, we included only half the part-time labor force in the denominator and we included all discouraged workers.

So we adapted the denominator so it would be strictly comparable with the numerator, and the denominators in the various other U–1 to U–7 measures, are sometimes different.

Representative BROWN of Michigan. The reason I asked that question—and I am not sure that I understand it yet—is because you have an employment to population ratio which is 56.6. Now then, what population are you using there?

Mr. SHISKIN. That is the total civilian noninstitutional population 16 and over, which is comparable to our measure of the employed. We count as employed anyone 16 and over who is working. We get that out of our household survey.

We take as the denominator the population 16 and over.

In all these cases, we try to make numerator and denominator comparable, and that applies to the employment-population ratio and it applies to the various unemployment measures, U–1 to U–7.

Representative BROWN of Michigan. The reason I asked that question is because you had mentioned the impact of using U–7 on the Humphrey-Hawkins bill, and if you take your 56.6, employment to population ratio, and you add to that the increments that would come under the 10.3, U–7, and then you take a lot of those who just are not seeking work, et cetera, it seems to me you do get up to the point where you have got an awfully high percentage—almost an unreasonable percentage, it seems to me, of people employed, if you were able to accomplish those rates, out of your total employment-population ratio. That is why, just as you said, you would get down to practically zero unemployment under the official test.

It always is somewhat of a dilemma to me how we can look at the employment-population ratio today and find it significantly higher than it was at a time when we had 3.5 percent unemployment by the official test, back in the middle 1960's.

Mr. SHISKIN. As I have said elsewhere, and I think also in this room, I think that, in order to get a balanced perspective on the labor market situation, you have to look at numerous measures. Certainly, you have to look at the unemployment figures that represent the problem, represents the area that people, particularly Congressmen and people from the media and workers, must be very much concerned with.

But you must also look at the employment population ratio, because this gives you an indication of how many people out of the total population are employed; and it gives you a better perspective on the whole problem.

I think that surfaced in the brief discussion between the chairman and myself a few minutes ago, when we were talking about teenagers. It is important to know not only the percentage of teenagers that is unemployed, but it is important also to know that a large and growing percentage of teenagers are employed.

I think both measures are very useful and you really need to look at them both to get a balanced perspective on the labor market situation.

Representative BROWN of Michigan. Well, as I say, the incongruity to me is that during the period a decade ago when we supposed we had very good times, we had actually less employment that we have today.

Mr. SHISKIN. As a percentage of the population.

Representative BROWN of Michigan. As a percentage of the population. And I think we need to put that into our total portrayal of the situation of the Nation today as compared to it at any other time.

Mr. SHISKIN. Well, I have been trying to—I will take the credit or blame for this, and not attribute it to BLS as an institution, though we really cannot separate the two, I realize—but I have been trying to move in that direction each month, by publishing the employment-population ratios as part of my prepared statement. And those figures, by the way, also appear in our monthly publication, Employment and Earnings.

We have not put them in our release yet, and I think one reason is that there is a lot of ferment now of ideas of what ought to be done about employment and unemployment statistics. As the newspapers have reported and I have said myself many times here, at the top levels of the administration, we have under consideration the appointment of a commission to continue the work, in a sense, of the Gordon Commission of 1962. They would report a year after they are appointed, and they may come up with some new ideas.

I think that when they make their report, that would be the appropriate time to reconsider the content of our release.

Representative BROWN of Michigan. Mr. Shiskin, we have a vote on the House floor, so I have got to run back over there, but just quickly looking through your statement, where you pointed out that—I think you said there has been a decline in the average weekly hours, the aggregate hours. But in checking the breakdown, I noticed that in about half the categories there has been an increase in average weekly wage.

Mr. SHISKIN. The problem arises mostly in the construction industry. We have made a calculation of those hours. They showed a very sharp drop. We thought some of the observations we had were unreasonable. As you know, we have to put out this report in 48 hours, so we will not have the time to check it back out until later, and we just decided to drop those figures out of the publication.

We will have figures before long.

Chairman HUMPHREY. I lost my talent here.

Representative BROWN of Michigan. I will try to get back.

Chairman HUMPHREY. I will proceed.

Let me just follow up on what Congressman Brown was saying, because it is an interesting history, the percentage of the workers on the job as compared to the population in the so-called good times was less then it is now.

Now, maybe one of the reasons for that is the rate of inflation which has, in a sense, driven people to seek additional income, so that there are more people who are applying to get the income that they need for a family unit or for themselves. I think that is one possibility.

I want to ask one other thing. Is there a larger number of people that are of an employable age now, as compared to the percentage of population, as I say, 10 years ago?

Mr. SHISKIN. Bob, can you answer that?

Mr. STEIN. Yes; there has been an increase in the proportion of the population that is between 16 and 64 years of age, the ages that include most of the working population.

Chairman HUMPHREY. So that, in itself, would lend itself to more people seeking the jobs.

Mr. STEIN. Right. And I think another consideration, Mr. Chairman, is the participation rates for women that have been rising steadily, and not just maintaining pace with population, but have been actually rising.

Chairman HUMPHREY. A quantum jump, is it not? There has been a very substantial increase in women's entry into the labor market during the last few years.

And on that question which we were discussing earlier, that Mr. Shiskin—the number of women entering the labor force as we said, is up considerably. And let's just keep at it a minute here—does this reflect new opportunities for women to enter a broad range of jobs with pay equal to their male coworkers, or are they going into what are classified as traditional female jobs; that is, the clerical type, the stenographic type, and the textile mills, and so forth?

Maybe you can give us a little idea of what has occurred in the structure of our economy to explain the growth in female job opportunities.

Mr. STEIN. Mr. Chairman, there has been some diversification in the occupations that women are going into, not really a great deal. For the most part, they have been entering the traditional occupations that they have always dominated historically. But there has been some branching out and some penetration into occupations that were previously almost entirely male oriented.

Chairman HUMPHREY. And is it the fact that there is a better pay scale, that something has happened in terms of wages and salaries for women which has been an additional inducement for women to enter the employment market?

Mr. STEIN. On an overall basis, the proportion of women's average earnings does not seem to be catching up to males.

Chairman HUMPHREY. Well, I have been told that that was one of the reasons for the increase of women into the job market.

There is some diversification; is that a fact?

Mr. STEIN. Some, but still of a relatively small character.

Chairman HUMPHREY. Now, if Congresswoman Heckler were here, you know that she would be asking you right now, Mr. Shiskin, to do a more in-depth study on the whole subject of women in the labor market.

Mr. SHISKIN. We do.

Chairman HUMPHREY. I know you are; you are extending yourself to do that. But I do think it is very important, because this shift, of a 1-percent drop in the male participation and a 1-percent increase in female, even though that is not marked, it is a substantial jump in the short period of time; and therefore, I think it would be wise for us to look into it a little more thoroughly.

Mr. SHISKIN. May I just add one point to that discussion. One reason that women have been able to get into jobs in greater numbers is that the service industries, where they have traditionally worked, have been growing very rapidly.

Chairman HUMPHREY. That is one of the points that I was hoping might be developed here, that structurally in our economy, we are less of a manufacturing economy and more of a service-oriented economy. I do not happen to think that is a good thing, but that is what is happening to us.

Mr. SHISKIN. Even in the last 4 or 5 months, when we have had a very strong cyclical recovery, typically associated with manufacturing and closely related industries, still the number of persons who have gotten jobs since last October has been greater in the service industries than in manufacturing.

Chairman HUMPHREY. Just to continue on the employment side a little longer, and then I want to ask something on the Wholesale Price Index. Well, let me just ask your views first on the Teamsters strike, and the labor-management dispute in the trucking industry. Could you give us any indication of what you think the effect of the Teamsters strike will be and how long it will be before it shows up in the statistics?

Mr. SHISKIN. We have not looked into that, but we know from the past, any major strike will eventually result in higher unemployment rates, and of course, lower employment figures. We count strikers as employed. We do not count them as unemployed in the household survey. In the payroll survey, they do not show up as employed, because the payroll survey is just a list of people who are getting paid, if they are not getting paid——

Chairman HUMPHREY. But in your household survey, you do not count them as unemployed?

Mr. SHISKIN. We do not count them as unemployed.

Chairman HUMPHREY. Now, how many people will be involved in this strike? Do you have any idea?

Mr. SHISKIN. I think the number is in the neighborhood of 400,000.

Chairman HUMPHREY. Of course, you could have some side-effects that would be very serious, where others would be laid off, in case the strike is prolonged. At this time, there is no application of Taft-Hartley emergency provisions, I understand. They are still in what we call traditional collective bargaining with Secretary Usery acting as the mediator.

Mr. SHISKIN. I am sure that is true, because we have not had a staff meeting for about a week, so we have not seen the Secretary.

Chairman HUMPHREY. He is very good in his work, and he has done some remarkable work before, and if it means that he is not around to hold a staff meeting, I think we ought to keep him out there.

Mr. SHISKIN. I agree.

Chairman HUMPHREY. That 400,000——

Mr. SHISKIN. Well, I am not sure of that figure.

Chairman HUMPHREY. That is a figure that I have heard discussed and I believe it is a close approximation, anyway. That would be an increase of about what percent in the unemployment rate? Let's say, for example, the strike is on 2 weeks from now, how much would that add to your unemployment figures?

Mr. SHISKIN. They would not be counted as unemployed.

Chairman HUMPHREY. But in the payroll, they would.

Mr. SHISKIN. They would not be counted as employed in our report based on payrolls, and the total number of persons on payrolls is 78.5 million; and if you drop 400,000——

Chairman HUMPHREY. But since they are not working and therefore, they are not productive, even though you may have a statistical definition that does not include them as unemployed, that number added to the number of people who do not have jobs now would equal what amount of percentage?

Mr. SHISKIN. I am sorry. I did not absorb the question.

Chairman HUMPHREY. Well, let's not have a dispute for a minute, for the purposes of calculation here, as to whether or not you really call these people unemployed; but nevertheless, they are not at work. They once were on the job, but for their own reason, they are now off the job.

But if you added that 400,000 to the present number that is unemployed, what would the total be?

Mr. SHISKIN. A rough rule of thumb is that 90,000 persons equals one-tenth of 1 percent in the unemployment rate.

Chairman HUMPHREY. So it would be about one-half of 1 percent.

Mr. SHISKIN. Yes, one-half a percent.

Chairman HUMPHREY. Maybe this is out of your area of jurisdiction, but what is the duration or the pattern of duration of a strike like this? Do you have any idea?

Mr. SHISKIN. Norman Samuels on my staff may be in the room—I do not know. If he is, it might be worthwhile asking him to come up here.

Chairman HUMPHREY. Is Mr. Samuels here?

Mr. SHISKIN. It seems he did not come today. He usually comes.

Chairman HUMPHREY. Now, over a period from 1969 to 1974, the labor force grew at a rate of about 2.5 million annually, or about 200,000 a month. In January and February, the labor force remained rather steady, there was not that big increase; and this month, it grew by 260,000. Is this an abnormally slow rate of growth in the labor force during a recovery?

Mr. SHISKIN. Well, the rate of growth in recoveries is relatively slow, compared to the rate during the advanced stages of expansion, and even during recessions.

I would say that if you took those 3 months together, it is about average for recoveries. In general, labor force growth during recoveries is relatively slow, so I would say that that is about average for recoveries.

However, we are reaching the stage, you know, where we will soon have to stop calling this a recovery and start calling it the growth or expansion stage. You know, we now have a year of recovery, and once we get back to the previous peak level, we get into the growth or expansion stage.

We have already exceeded the previous peak level, according to our household survey. We are above it. We are not quite there, according to the payroll survey, but we are close.

So I think we should expect more rapid rates of growth in the labor force in the months ahead.

Chairman HUMPHREY. In other words, the labor force growth is slower than the GNP growth?

Mr. SHISKIN. During a recovery?

Chairman HUMPHREY. Yes.

Mr. SHISKIN. But then, when people realize, you know, that there is a real expansion underway, and they are more encouraged, more and more of them come into the labor market. And that is what we should be expecting at this stage.

Chairman HUMPHREY. And that is the historical patterns, is that right, Mr. Shiskin?

Mr. SHISKIN. Yes, sir. I think that is one reason why after rapid recovery, during the first year or so, in the unemployment rate, the improvement tends to slow down.

Chairman HUMPHREY. That leads to this question which I think you have, in part, answered here. Is the slow rate of growth in the labor force an indication that workers are not confident enough of finding a job, or to put it conversely, as the economy seems to show signs of sustained recovery, then more people do enter the labor force?

Mr. SHISKIN. That is right.

Those of us who are statisticians and others like you, who follow the economy very closely, you say, well, the recovery started last March or April; we know about what happened. But the general public takes a longer time to realize when a change in the business cycle takes place, and for a long time, most of the public really thinks we are in a state of recession, when we are actually recovering. After awhile, a year, a year and a half or so, people realize, we have got a real recovery, real expansion underway, and more of them seem to move into the labor market.

So I think your statement was quite correct.

Chairman HUMPHREY. The number of discouraged workers which, I have always found that somewhat difficult to define—but the number of discouraged workers who are characterized as such, due to personal factors, more than doubled from the fourth quarter in 1975 to the first quarter in 1976, according to your statistics. Do you believe institutional changes are the best way to reduce this type of unemployment?

Mr. SHISKIN. Sir, I do not think that is a significant figure.

Chairman HUMPHREY. You do not?

Mr. SHISKIN. No, sir. I have studied the data on discouraged workers in terms of the break between those discouraged for job market factors and those discouraged for personal reasons. There is no pattern, no discernible pattern in the trends of persons who say they are discouraged for personal reasons.

These are people who have been unable to get a job because they think there is something wrong with them, or they are too old, too young, or they are disfigured or handicapped in some way. There is no clear pattern. However, there is a very clear pattern in those who think they cannot get jobs for job market reasons, people who make a judgment on the market; and though there is some lag there—it takes some time for them to realize what is happening to the job market—there is a clear pattern there.

I think it is quite significant that the drop in discouraged workers for job market reasons—people who say they are discouraged because they do not think there is a job there—has dropped from 950,000 in the third quarter of 1975, to 630,000 in the first quarter of 1976. That is a very substantial and significant drop, and I think that is a significant figure. I do not think the figure on discouraged for personal reasons is significant.

In fact, if I had been Commissioner of the Bureau of Labor Statistics when the series on discouraged workers was initiated, I would have made a stronger differentiation between those two categories and featured the discouraged for job market reasons.

Chairman HUMPHREY. I see.

Well, as I said; this is one of those intangibles that are difficult to measure or to even understand all the factors that are involved, but it is historically true, is it not, that as the economy seems to firm up, that the number of discouraged workers generally drops?

Mr. Shiskin. The number of workers who say they are discouraged for job market reasons; yes, that is the cyclically sensitive component. The other one seems to fluctuate more or less at random.

Chairman HUMPHREY. There is a very interesting contradiction in the statistics today, and I just want to read the statement to you and get your observations. Although the employment rates for most occupational and industry groups are unchanged from February and through the month of March, the unemployment rate among construction workers, as you noted here today, increased from about a half a percent to 16 percent. At the same time, the privately owned housing starts increased in both January and February.

Similarly, you report an increase of three-tenths of 1 percent in the unemployment rate of wholesale and retail trade workers, while retail sales have been substantially increasing.

I would like you to comment and offer some analysis of the unemployment rate in these two industry groups in light of the observations I made of increased housing starts and increased retail sales. You would think that the figures on unemployment would be down, instead of up.

Mr. SHISKIN. Well, let's take a look at the construction industry unemployment rates in the last 4 months, starting December: 16.6, 15.4, 15.5, 16.0. I would say that is a holding pattern. I do not see any real rise there.

Chairman HUMPHREY. You think it may very well even be a statistical quirk?

Mr. SHISKIN. Not a quirk, but these are erratic fluctuations.

Now, your question might be rephrased, why is the unemployment rate for construction workers not going down?

Chairman HUMPHREY. You would think, though, that as we hear about recovery and see real signs of recovery in the country, that the construction industry would respond. This, of course, has been the tough nut all the way through all of our discussions of these many months. We keep looking at that construction area, and it just has not come around.

Mr. SHISKIN. Yes, 'we have all been disturbed and puzzled by it. I took a look just within the last day at figures for different parts of the construction industry; housing starts are improving and if you look at the credit figures, the funds that are being borrowed are going up rapidly, too. It is the long-term construction—I'm sorry—the heavy construction that has been sluggish, and that area still has a large——

Chairman HUMPHREY. The real commercial construction.

Mr. SHISKIN. Heavy construction has not responded. We are all hopeful that it will respond. It usually does, after recovery gets well underway, we all expect it to, but thus far, we have had little of it.

Chairman HUMPHREY. Mr. Shiskin, just help us a little bit on the Wholesale Price Index. The Wholesale Price Index for all commodities rose 0.2 percent, as is published, and the Industrial Commodities Index rose 0.4 of 1 percent in March, after seasonal adjustment, compared to increases of only 0.1 and 0.5 percent in February and January. To what do you attribute the Industrial Commodities Price Index increase? Have there been any new wage contracts?

Mr. SHISKIN. I do not think that is a significant change. The numbers for Industrial Commodities in the last few months are 0.7, 0.6, 0.5, 0.1, 0.4; I think we have had some slight improvement there. So, so far, that is about all I would be willing to say about what has been happening on industrial prices.

I have noted in other contexts and at other discussions, that the normal thing, the common thing, during recovery is for industrial prices to rise—the rate of increase to rise. That is the normal pattern, and I would think the normal pattern would soon prevail. This 0.4 could possibly be the beginning of that.

But I think with only 1 month's rise in the rate of change we have to be cautious and say we will have to wait a few more months and see.

I have another chart—since you are talking about prices, which may interest you, and I will ask Mr. Stein, who is not so occupied at the moment, if he would mind taking it up to you. This may throw a little light on some of the questions you have been asking about.

Chairman HUMPHREY. You might, as you are talking about the price structure, just keep in mind that crude materials, according to your survey, went up 3.4 percent, which is a rather sharp increase. Does this forecast further price increases in the months ahead?

Mr. SHISKIN. Well, if you look at that table—it is on page 2 of the release—for crude materials you had −1.7 percent in November, 3.5 in December, and 0.8, −1.9, 3.4 in the last 3 months. The All Commodities Wholesale Price Index, in general, has been virtually flat now for 5 months, so there has been no response yet.

But if crude materials, which are probably the best leading price indicator, continue to show changes like that—3.4 percent—then the Wholesale Price Index will go up and so will the Consumer Price Index.

But since it has been only 1 month, and we had one like it a few months ago, I would not panic yet. I would just say it is sort of a worrisome sign, and we will have to keep our eye on it. This figure was subsequently revised down to 2.8.

Chairman HUMPHREY. When you speak of crude materials, would you define for us that category more precisely?

Mr. SHISKIN. John.

Mr. LAYNG. It is actually crude nonfood materials.

Chairman HUMPHREY. Yes; I understand that.

Mr. LAYNG. It includes things like natural gas, iron and steel scrap, natural rubber——

Chairman HUMPHREY. Most of which goes into the industrial process.

Mr. LAYNG. Correct.

Chairman HUMPHREY. Food prices have steadily declined since last August. September was the only month when food prices increased. I might add that it is a rather substantial decline.

A continued decline in food prices will depend in large measure upon what happens to this year's crop. We had a big carryover; that is what is really now causing that decline, a carryover in feed grains, and we still have not worked off all the livestock. Livestock prices are down.

I did not notice, what did poultry prices do?

Mr. LAYNG. There had been a big drop in poultry prices, although they have turned up in the last couple of months.

Chairman HUMPHREY. Again, because poultry prices are primarily related to feed costs.

I want to thank you very much for helping me, Mr. Shiskin. This is always a learning exercise with you.

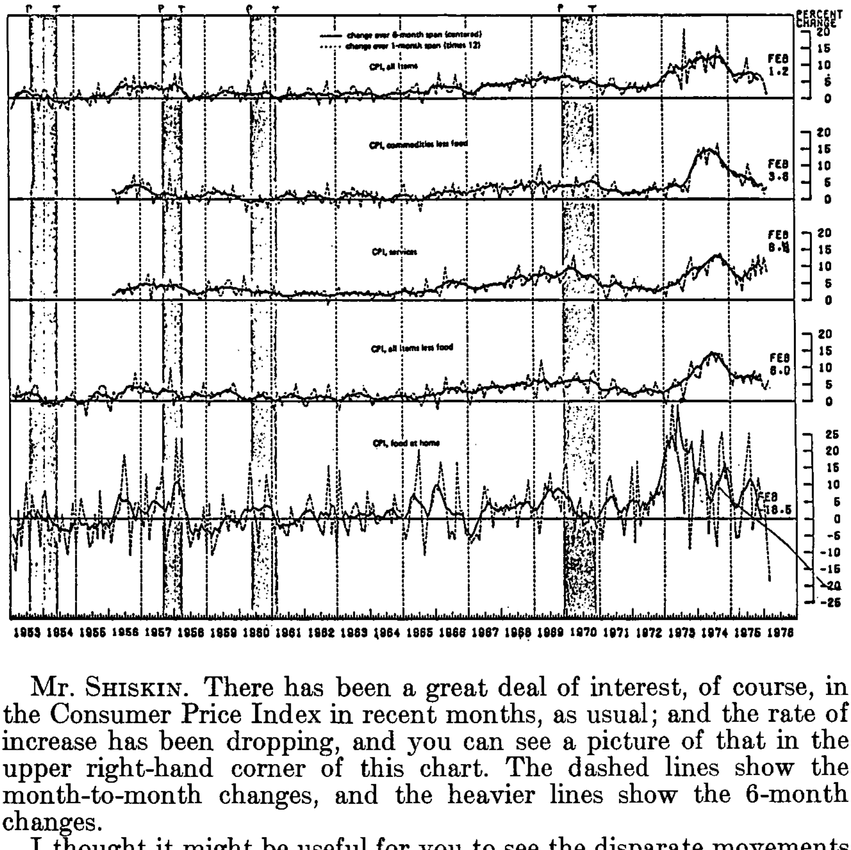
Mr. SHISKIN. Thank you, sir.

I hope you will have a few minutes in a little while to get back to this chart.

Chairman HUMPHREY. Oh, yes. We would like to do that now.

[The chart referred to follows:]

CPI and its major components—Rates of change, 1953–76



Mr. SHISKIN. There has been a great deal of interest, of course, in the Consumer Price Index in recent months, as usual; and the rate of increase has been dropping, and you can see a picture of that in the upper right-hand corner of this chart. The dashed lines show the month-to-month changes, and the heavier lines show the 6-month changes.

I thought it might be useful for you to see the disparate movements within that total for some of our major groups, and the first line under that, which is commodities, less food—these are the nonfood commodities, and they have been dropping steadily. However, and this is the important point I want to make, services have, in the last 7 or 8 months, been rising rapidly, the rate of inflation in services has picked up substantially.

Chairman HUMPHREY. It is interesting, if I may go back, that commodities, less food had a rather stable price for a long period of time, until they got into this 1973–74 period. Of course, the increase in energy costs is directly related to price increases in that period.

Mr. SHISKIN. There were also steel and many other things.

If you will skip the service line for a minute—if you look at the bottom of this chart, you will see what has happened to food prices. This line represents food at home, and while the movements are quite erratic, there has clearly been a very large decline in the rate of increase. These are not absolute declines, but the rate of increase has been declining for many months now.

On the other hand, services are rising very rapidly. I want to remind you, Mr. Chairman, that in just about a year, we will be releasing our new Consumer Price Index. We have been in the process in the last several years—I hate to mention the number, it has been taking us so long—we are introducing new weights, in terms of the percentage of consumers' expenditures that go to apparel, to food, et cetera.

We are also introducing a new sample of retail stores, and we are are introducing a new "market basket," that will use somewhat different commodities.

We are also, however—and this is the important point in this context, and more and more attention will be directed to it over the next year by management and labor and the public—we will be introducing also a new index which will cover not only wage earners and clerical workers, as does the present index, but all urban households.

The difference, in terms of the population coverage is about like this. The wage earner and clerical worker index, which we are putting out today, covers about 40 percent of the population.

The all-urban households index, which we will put out about a year from today, in addition to the Wage Earner Index, will cover about 80 percent of the population. We are doubling the percentage of the population covered.

We do not know quite what the effect will be. We are adding high income groups. For example, people like us will be included in the new index. I went along with one of our data collectors about a month ago to observe price collection, and we included two stores in that venture which would have not been included if we had stuck with the wage earner index. We went into two of these stores which people like us tend to buy in.

We are not sure what the effects will be on the index, because we are also adding the poor and the unemployed, groups that were not included before. But it may be that the net effect will give more weight to services, and services historically—in recent history—have gone up more rapidly than either foods or nonfoods, so that the new index could go up more than the old one. I am not predicting it will, but I am just saying that we have a new index. It has got different composition, much broader coverage, and I want to alert you to this. You will all be hearing more about it in the months ahead.

Chairman HUMPHREY. I think it is very fortunate we do have a new index. There are so many changes that take place in people's buying habits and patterns. If you can have a larger data base, you generally get a little better view of what is going on.

Mr. SHISKIN. However, I want to remind you, sir, that those who are engaged in collective bargaining were very much concerned that we continue the index for wage earners and clerical workers, too. We had several hearings here. I have also had hearings with other committees. The decision finally made by the Congress and the administration was to continue the wage earner index with new weights and a new sample, but also to have this broader index for all urban households.

So, starting early next year, we will be producing two different consumer price indexes, both with reasonably up-to-date weights of all kinds. One will cover 80 percent of the population, and the other will cover 40 percent, limited to wage earners and clerical workers.

Chairman HUMPHREY. Thank you.

Congressman Pike.

Representative PIKE. Thank you, Mr. Chairman.

With your indulgence—you said earlier this was a learning process, and I have got everything to learn—I would like to just explore one category in the figures here, so I can learn a little bit about your methodology, if I may.

I am interested in the people whom you refer to as discouraged workers. You are listing some 937,000 so-called discouraged workers at the present time. How large a sample do you get in order to come up with the figure of 937,000 discouraged workers, and how do you get it?

Mr. SHISKIN. Well, I am not really sure I will be answering your question, but let me give it a try, and if I fall down, maybe Mr. Stein can supplement my remarks.

Our present sample includes approximately 47,000 households each month. The reason that is so large compared, for example, with the Gallup Poll or the Harris Poll, is that we have a great deal of detail. If we were just getting the figure for total unemployment in the United States, we could have a much smaller sample, but people want to know about many different groups, including discouraged workers; so we have a sample of 47,000 households.

Now, in that sample——

Representative PIKE. Who is it who asks a worker, are you discouraged?

Mr. SHISKIN. Well, that is not quite the question——

Representative PIKE. I am trying to understand the methodology by which you get from no discouraged workers to 937,000.

Mr. SHISKIN. I understand, sir. The questioning proceeds along the following lines. The data collector asks the person who is answering the questions, which is usually the housewife, whether she or her spouse is working—is he employed?

Representative PIKE. Who is asking the questions?

Mr. SHISKIN. We have a contract with the Bureau of the Census, and under that contract, the Bureau of the Census data collectors go to 47,000 households each month. They have a very detailed questionnaire which has been designed initially by us, but with input from the Census Bureau and many different groups, including the Joint Economic Committee. The data collector will go through that questionnaire with the person in the household.

The first group of questions concern directly whether the person is working, and if so, what kind of work. If the person is not working, we try to get supplementary information. If the respondent says that the person is looking for work, then we ask what he has done to find a job, so that we can pin down the comment that he is actively looking for work.

We also ask those people who are not actively looking for work and who are not employed, a series of questions to determine what they are doing, and this provides a category, "not in the labor force."

Many people tell us, in response to all our questions, that they would like to have a job, but for numerous reasons, they are not working. One very common answer is, well, I am at school; I am a student, or my son is a student, or my daughter is a student, and that takes care of substantial number of people.

Another substantial number of people are those who cannot work because of family responsibility. These are often mothers with small children.

A third category are those who are ill, and would like to get a—excuse me, may I just continue—I am coming to the denouement, which is that there is another category, a group which says, we would like to have a job, but we are not looking because we do not think we can find a job, and they are the ones we classify as discouraged workers.

Representative PIKE. You put them into two categories within discouraged workers, and those whom you list as discouraged workers because of personal factors doubled last month. Why?

Mr. SHISKIN. I do not know why; I do not think that is a significant figure. If you look at the observations, over a period of time, for instance, they fluctuate almost at random. They go up some months, and down some months, and there is no visible pattern in those figures.

Representative PIKE. Is not this great fluctuation because there are so many subjective valuations that have to be put into this? If a person is sick or not, that is a fairly objective criterion, but when you try to measure the how or why a person is discouraged, are you not just getting into a very subjective, as opposed to statistically clean, area?

Mr. SHISKIN. The words that I have used is that they do not meet the market test. When a person goes to the labor market, in some sense, and goes to an employer, or to an employment agency, and says, I want a job, then you know he means business. But when a person says, well, I would like to have a job, but I do not think I will get one, because I do not think anyone wants someone that looks like me, that is kind of vague and subjective.

Representative PIKE. That is all.

Chairman HUMPHREY. Well, Mr. Shiskin, we thank you.

It is close to 1 o'clock.

You are always helpful. I hope that we learn as a country about these figures, and we are fortunate to have broadcasting media at these sessions. A number of people listen in, and one of the reasons that we ask the questions that we do is to get a high degree of economic literacy in the country, because there are so many rhetorical phrases tossed out that we need to know what we are talking about.

I told you before, I feel that there are signs that indicate that recovery is moving, not as rapidly as I would like, but it seems to be holding and moving. The central problem continues to be the gap between the ability of the private sector, even in recovery, to absorb the large number of unemployed that were accumulated during the the recession, and it is that segment or that portion of the economic scene that is most disturbing to me.

But we have reduced unemployment now down from nearly 9 percent to 7.5. It will be interesting to see whether or not we can continue to pull it down in the months ahead.

I have a concern which I expressed earlier today that we may very well be getting locked in to something around this 7 to 7.5 percent. That would not be a good sign, and we have to concentrate our attention upon it.

Thank you very, very much, and peace.

Mr. SHISKIN. Thank you, Mr. Chairman. You have been very generous in your remarks about me, and very gracious, as always.

Chairman HUMPHREY. Thank you. Well, you do a great job for us.

[Whereupon, at 12:49 p.m., the committee adjourned, subject to the call of the Chair.]

EMPLOYMENT-UNEMPLOYMENT

FRIDAY, MAY 7, 1976

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

The committee met, pursuant to notice, at 11:05 a.m., in room 1318, Dirksen Senate Office Building, Hon. Richard Bolling (vice chairman of the committee) presiding.

Present: Representative Bolling; Senators Proxmire and Percy

Also present: Lucy A. Falcone and Louis C. Krauthoff, professional staff members; Michael J. Runde, administrative assistant; Charles H. Bradford, senior minority economist; and M. Catherine Miller, minority economist.

OPENING STATEMENT OF VICE CHAIRMAN BOLLING

Representative BOLLING. The committee will be in order. This morning we again welcome Julius Shiskin, Commissioner of Labor Statistics, who will testify on the April employment and unemployment situation, and on wholesale price developments of April. Although we experienced a sharp decline in the unemployment rate in the last quarter of 1975, in the last 3 months there has been essentially no improvement in the rate which hangs at 7.5 percent. The fact that unemployment has remained at that level during a period in which the economy is growing quite rapidly may suggest that most of the improvement in the unemployment rate is already over for this year. However, Mr. Shiskin, for the first time in many months, there may be as much interest in your wholesale price release as there is in the employment release.

After several months of stability and even declines in prices, the WPI in April rose 0.8 percent on a seasonally adjusted basis. Although most of this increase was due to recovery in farm product prices, which has declined sharply in the last year, there is cause for concern in recent industrial commodity price increases. During the month of April, for example, nonferrous metals rose 3.6 percent, iron and steel rose 0.9 percent, glass and concrete rose more than 2 percent, crude rubber rose 1.2 percent. These are all basic commodities which go into the production of both consumer goods and business plant equipment. Such strong increases at an early stage of economic recovery bear close watching.

Mr. Shiskin, it is a pleasure to welcome you here this morning. Please proceed in any manner you wish. Your entire written statement of the employment situation release will be printed in full in the record.

STATEMENT OF HON. JULIUS SHISKIN, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR, ACCOMPANIED BY W. JOHN LAYNG, ASSISTANT COMMISSIONER, OFFICE OF PRICES AND LIVING CONDITIONS; AND ROBERT L. STEIN, ASSISTANT COMMISSIONER, OFFICE OF CURRENT EMPLOYMENT ANALYSIS

Mr. SHISKIN. Thank you, Mr. Chairman, I have a brief supplementary statement which I would like to read for the record. Mr. Chairman and members of the committee, I am glad to have this opportunity to provide for the Joint Economic Committee supplementary comments on the data released at 10 a.m., this morning in our press release on the employment situation.

The cyclical recovery in the employment situation continued in April. Employment rose vigorously, as total employment and nonagricultural employment exceeded their previous cyclical peak levels. Unemployment was unchanged in April. The average workweek declined because of the reduction in overtime during the Easter-Passover week, when the surveys were taken.

The unemployment rate continued at a high and unchanged level in April. However, unemployment of adult men continued to decline, as did the number of long-term unemployed. The range of the April unemployment rates computed by 10 alternative seasonal adjustment methods is 7.3 to 7.6 percent, table 1. The rate produced by the additive method, which was consistently above the official rate during the first 3 months of this year, was slightly below the official rate in April. (These data illustrate the range of unemployment rate estimates possible with the use of different methods of seasonal adjustment.)

The labor force rose by 720,000, one of the largest monthly increases in recent experience, and about one-third of the total rise over the past year. The participation rate also rose sharply, mainly for men, thus reversing, at least temporarily, the more common pattern of the rapidly rising participation of women and falling participation among men. However, the participation rate for women did reach another new high.

Total employment rose by more than 700,000, and employment in nonfarm industries rose by about 470,000, according to the household survey. Nonfarm payroll employment, which rose in April by 340,000 according to the business survey, has increased by 2.4 million since March 1975 and 2.5 million since last June, the trough month for this survey. The rises in nonfarm employment over the same periods, as measured by the household survey, were still larger.

About 70 percent of the 172 industries in the BLS diffusion index showed rising employment. The employment-population ratio rose 0.4 percentage point between March and April (table 2) to 57 percent and now is well above last November's trough of 55.9 percent, but still well below the alltime high of 58.3 percent reached in early 1974. Average weekly hours declined and aggregate hours rose only slightly in April, mostly because of the reduction in overtime during the Easter-Passover period, which fell in the survey week.

Several months ago, I instituted the practice of showing data for seven different, reasonable definitions of unemployment labeled U–1, the most restrictive, to U–7, the most inclusive, with the official rate identified as U–5. All seven categories of unemployment have been declining, table 3. U–1, which measures the long-term unemployment—15 weeks or longer—dropped to 2.2 in April from 2.7 in the second quarter of 1975, the cyclical peak quarter. U–6, full-time job seekers, and half the employed part time for economic reasons, declined from 10.7 in the second quarter of 1975 to 9.1 in April. U–7, the most comprehensive of these measures is not available monthly, because the number of discouraged workers is compiled only quarterly. (These data illustrate the range of unemployment rate estimates possible depending upon who is counted as unemployed.)

In summary, the overall employment situation continued to improve in April, with the level of employment well above the previous peak level in July 1974. During the first quarter, real GNP was roughly equal to the previous peak level. Hence, we can say that for some—though not all—major aggregates, the economic expansion has completed the "recovery" stage of the business cycle and has now entered the "growth" stage.

Even though the recent recession was unusually steep, the nonfarm payroll employment recovery to the previous peak level took only 10 months, compared to 11 months after the steep recession in 1957–58 and the 10-month average of all post-World War II recoveries. In the case of total employment, the previous peak level was surpassed during the current expansion after 12 months and is now 1.3 percent, or 1.1 million persons above that previous level.

Unemployment has also improved, declining from a peak level of nearly 8.3 million in May 1975 to a little over 7 million in April. The reason that there has been the relatively stronger improvement in employment is, of course, the fact that the labor force has continued to increase at a rapid pace, tables 4 and 5.

Now, Mr. Chairman, if I may, I would like to put into the record a very brief statement summarizing a study we have made of revisions in key economic indicators. Two months ago, Senator Proxmire raised some questions about these revisions. We have made a study of them, and I would like, with your permission, to enter this brief statement in the record.

Representative BOLLING. Without objection, so ordered.

[The statement and tables referred to, together with the press release follow:]

REVISIONS IN KEY INDICATORS

Revisions are taken for the purposes of this memo to measure the difference in the over-the-period percentage change in the estimates. A positive revision reflects an upward revision in the initial over-the-period percentage change compared to the final over-the-period percentage change. Likewise, a negative revision reflects a downward revision in the initial over-the-period percentage change relative to the final over-the-period percentage change. For example, if the over-the-period percentage change for the initial estimate was 1.08 and for the final estimate, 1.78; the initial over-the-period percentage change was revised upward .70 percent.

We have examined these revisions for the January 1970 through December 1975 time period (table A) for the following major economic indicators: the GNP in Constant Dollars, Nonresidential Fixed Investments, Industrial Production Index, Employees on Nonagricultural Payrolls, Personal Income in Current Dollars, Retail Sales in 1967 Dollars, and the Old Index of Twelve Leading Indicators—Original Trend. (These data will be carried through the first part of 1976 as soon as the final estimates are available.) One series, the Nonresidential Fixed Investments, had more negative revisions than positive revisions. Thus, it was the only series that tended to overstate the initial estimate. The GNP, Retail Sales in Current Dollars and the Old Index of Twelve Leading Indicators—Original Trend have had a nearly equal distribution of positive and negative revisions. The remaining three series; Nonagricultural Employment, The Industrial Production Index and the Personal Income in Current Dollars have exhibited at least twice the number of positive revisions than negative revisions. For these three series we have highlighted the most current time frame available, January through December, 1975 (table B).

The Nonagricultural Employment series, for January through December 1975 showed a marked improvement in its revision distribution; positive and negative revisions occurring with about equal frequency. This improvement was in part due to procedures introduced by Bureau of Labor Statistics in December 1974 to correct for known biases in the preliminary, partial samples. Since the Nonagricultural Employment series' employment, man-hours and earnings are major inputs to the Personal Income in Current Dollars and the Production Index; it can be expected that these series may exhibit similar revision patterns. The Personal Income in Current Dollars, for January through December 1975, exhibited a more equal revision distribution; however, a disparity of revisions is still felt in the Production Index.

These data demonstrate that there is no predictable revision pattern in either the direction or the magnitude—that is, there is no bias. Revisions occur; but their magnitude and direction are compatible with requests for both timely and statistically reliable data.

A more detailed paper is available upon request.

TABLE A.—ANALYSIS OF REVISIONS IN MONTHLY (QUARTERLY) PERCENT CHANGES, 1970–75

Series	Average revision with respect to sign	Average absolute revision	Number of reporting periods (months or quarters)			
			Total	Positive revisions	Negative revisions	No revision
GNP in constant dollars (Q)	0.03	0.19	23	12	11	
Nonresidential fixed investments (Q)	−.10	.62	23	9	14	
Industrial production index (M)	.10	.24	70	41	23	6
Employees on nonagricultural payrolls	.06	.09	72	53	18	1
Personal income in current dollars (M)	.05	.11	71	49	22	
Retail sales in 1967 dollars (M)[1]	.28	.85	46	24	22	
Old index of 12 leading indicators, original trend (M)	.12	.77	69	33	34	2

[1] Series not developed until 1972.

TABLE B.—ANALYSIS OF REVISION MONTHLY PERCENT CHANGES, 1975

Series	Average revision with respect to sign	Average absolute revision	Number of reporting periods (months or quarters)			
			Total	Positive revisions	Negative revisions	No revision
Industrial production index	0.31	0.37	12	8	3	1
Employees on nonagricultural payrolls	.01	.10	12	6	6	
Personal income in current dollars	−.05	.12	12	5	7	

TABLE 1.—UNEMPLOYMENT RATE BY ALTERNATE SEASONAL ADJUSTMENT METHODS

Month	Unadjusted rate	Official adjusted rate	Alternative age-sex procedures		Other aggregations (all multiplicative)					Direct adjustments			Composite		Range (col. 2–14)
			All multiplicative	All additive	Duration	Full time/part time	Reasons	Occupation	Industry	Rate	Level	Residual	No. 1	No. 2	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
1975															
January	9.0	7.9	8.0	8.3	8.1	7.9	7.8	7.9	7.8	8.1	8.1	8.4	8.0	8.0	0.6
February	9.1	8.0	8.1	8.4	7.9	8.0	7.8	7.8	8.0	8.0	8.1	8.4	8.0	8.0	.6
March	9.1	8.5	8.5	8.7	8.4	8.4	8.3	8.4	8.4	8.5	8.5	8.7	8.5	8.4	.4
April	8.6	8.6	8.7	8.6	8.5	8.6	8.6	8.7	8.7	8.8	8.8	8.7	8.6	8.6	.3
May	8.3	8.9	9.0	8.7	8.8	8.8	9.0	9.1	9.0	9.3	9.2	8.7	8.8	8.9	.6
June	9.1	8.6	8.6	8.7	8.6	8.7	8.7	8.6	8.7	8.2	8.2	8.5	8.6	8.6	.5
July	8.7	8.7	8.6	8.6	8.6	8.7	8.8	8.6	8.6	8.5	8.4	8.5	8.7	8.6	.4
August	8.2	8.5	8.5	8.4	8.7	8.5	8.7	8.7	8.6	8.5	8.5	8.4	8.6	8.6	.3
September	8.1	8.6	8.6	8.4	8.8	8.6	8.8	8.6	8.5	8.5	8.5	8.4	8.6	8.6	.4
October	7.8	8.6	8.7	8.4	8.8	8.7	8.7	8.5	8.6	8.5	8.6	8.4	8.6	8.6	.4
November	7.8	8.5	8.5	8.2	8.7	8.6	8.6	8.4	8.5	8.5	8.5	8.3	8.5	8.5	.5
December	7.8	8.3	8.4	8.2	8.5	8.3	8.2	8.3	8.4	8.5	8.4	8.2	8.3	8.3	.3

1976															
January	8.8	7.8	7.8	8.2	8.1	7.8	7.7	7.8	7.8	7.9	7.9	8.2	7.9	7.9	.5
February	8.7	7.7	7.6	7.9	7.6	7.6	7.5	7.6	7.7	7.7	7.7	7.9	7.6	7.6	.4
March	8.1	7.5	7.5	7.7	7.3	7.5	7.4	7.5	7.5	7.6	7.5	7.7	7.5	7.5	.4
April	7.4	7.5	7.5	7.4	7.3	7.5	7.5	7.6	7.6	7.6	7.5	7.5	7.5	7.5	.3
May															
June															
July															
August															
September															
October															
November															
December															

Source: U.S. Department of Labor, Bureau of Labor Statistics, May 7, 1976.

Note: An explanation of columns 1–14 appears below:

(1) Unemployment rate not seasonally adjusted.

(2) Official rate.—This is the published seasonally adjusted rate. Each of 4 unemployed age-sex components—males and females, 16 to 19 and 20 yr of age and over—is independently adjusted. The teenage unemployment components are adjusted using the additive procedure of the X–11 method, while adults are adjusted using the X–11 multiplicative option. The rate is calculated by aggregating the 4 and dividing them by 12 summed labor force components—these 4 plus 8 employment components, which are the 4 age-sex groups in agriculture and nonagricultural industries. This employment total is also used in the calculation of the labor force base in cols. (3) to (9). The current "implicit" factors for the total unemployment rate are as follows: January, 113.1; February, 113.7; March, 108.1; April, 99.4; May, 93.4; June, 104.5; July, 99.5; August, 96; September, 94.7; October, 89.8; November, 91.4; December, 93.4.

(3) Multiplicative rate.—The 4 basic unemployed age-sex groups—males and females, 16 to 19, and 20 yr and over—are adjusted by the X–11 multiplicative procedure.

(4) Additive rate.—The 4 basic unemployed age-sex groups—males and females, 16 to 19, and 20 yr and over—are adjusted by the X–11 additive procedure.

(5) Duration.—Unemployment total is aggregated from 3 independently adjusted unemployment by duration groups (0 to 4, 5 to 14, 15 plus).

(6) Full-time and part-time.—Unemployment total is aggregated from 6 independently seasonally adjusted unemployment groups, by whether the unemployed are seeking full-time or part-time work for men 20 plus, women 20 plus, and teenagers.

(7) Reasons.—Unemployment total is aggregated from 4 independently seasonally adjusted unemployment levels by reasons for unemployment—job losers, job leavers, new entrants, and reentrants.

(8) Occupation.—Unemployment total is aggregated from independently seasonally adjusted unemployment by the occupation of the last job held. There are 13 unemployed components—12 major occupations plus new entrants to the labor force (no previous work experience).

(9) Industry.—Unemployment total is aggregated from 12 independently adjusted industry and class-of-worker categories, plus new entrants to the labor force.

(10) Unemployment rate adjusted directly.

(11) Unemployment and labor force levels adjusted directly.

(12) Labor force and employment levels adjusted directly, unemployment as a residual and rate then calculated.

(13) Average of (2), (5), (6), (7), and (12).

(14) Average of (2), (5), (6), (7), (8), (9), and (12).

Note: The X–11 method, developed by Julius Shiskin at the Bureau of the Census over the period 1955–65, was used in computing all the seasonally adjusted series described above.

TABLE 2.—EMPLOYMENT-POPULATION RATIOS

Category	Annual averages		Seasonally adjusted estimates								
			January 1974 (cyclical high month)	March 1975 (cyclical low month)	Quarterly average				February 1976	March 1976	April 1976
	1974	1975			II 1975	III 1975	IV 1975	I 1976			
Total, all workers	57.8	56.0	58.3	55.9	56.0	56.1	56.0	56.5	56.4	56.6	57.0
Adult males	77.9	74.9	79.0	74.9	74.8	74.9	74.5	74.8	74.8	74.9	75.5
Adult females	42.7	42.3	42.4	42.0	42.2	42.5	42.5	43.1	43.0	43.3	43.4
Teenagers	46.1	43.3	47.5	43.2	43.3	43.3	43.0	43.8	43.7	44.0	44.8

Source: U.S. Department of Labor, Bureau of Labor Statistics, May 7, 1976.

TABLE 3.—RANGE OF UNEMPLOYMENT INDICATORS REFLECTING VALUE JUDGMENTS ABOUT SIGNIFICANCE OF UNEMPLOYMENT

[In percent]

U-1 through U-7	Annual averages		Seasonally adjusted estimates								
			Oct. 1973 (cyclical low month)	May 1975 (cyclical high month)	Quarterly averages				Current months		
	1974	1975			II 1975	III 1975	IV 1975	I 1976	Feb. 1976	Mar. 1976	Apr. 1976
U-1—Persons unemployed 15 weeks or longer as a percent of total civilian labor force	1.0	2.7	0.9	2.7	2.7	3.1	3.1	2.7	2.7	2.4	2.2
U-2—Job losers as a percent of civilian labor force	2.4	4.7	1.7	5.1	5.0	5.0	4.6	3.7	3.7	3.7	3.7
U-3—Unemployed household heads as a percent of the household head labor force	3.3	5.8	2.7	6.1	6.0	5.9	5.9	5.0	4.9	5.0	4.8
U-4—Unemployed full-time job seekers as a percent of the full-time labor force (including those employed part time for economic reasons)	5.1	8.1	4.1	8.5	8.4	8.3	8.2	7.1	7.1	7.0	7.0
U-5—Total unemployed as a percent of civilian labor force (official measure)	5.6	8.5	4.7	8.9	8.7	8.6	8.5	7.6	7.6	7.5	7.5
U-6—Total full-time seekers plus half part-time job seekers plus half total on part time for economic reasons as a percent of civilian labor force less half part-time labor force	6.9	10.3	5.9	10.9	10.7	10.4	10.3	9.3	9.3	9.2	9.1
U-7—Total full-time job seekers plus half part-time job seekers plus half total on part time for economic reasons plus discouraged workers as a percent of civilian labor force plus discouraged workers less half of part-time labor force	7.7	11.5	[1] 6.6	[1] 12.0	11.9	11.6	11.3	10.3	(2)	(2)	(2)

[1] Uses discouraged worker figure for quarter which includes applicable month.
[2] Not available.

Note: The numerators and denominators (in thousands) for the 1st quarter 1976 rates are as follows: U-1, 2,531/93,553; U-2, 3,474/93,553; U-3, 2,684/53,402; U-4, 5,718/79,995; U-5, 7,151/93,553; U-6, 8,095/86,726; U-7, 9,032/87,663.

Source: U.S. Department of Labor, Bureau of Labor Statistics, May 7, 1976.

TABLE 4.—MEASURES OF PROGRESS TOWARD PREVIOUS CYCLICAL PEAK LEVEL DURING CURRENT ECONOMIC RECOVERY

Series (with latest month available) (1)	Percent decline during 1973-75 recession (2)	Percent of recession decline recovered, trough to date (3)	Percent of previous peak level (4)	Percent change from trough (5)
I. Leading indicators:				
Leading index, trend adjusted (March)	−22.4	75.0	96.4	+21.6
Average workweek (April)[1]	−4.4	50.0	97.8	+2.3
New orders, 1967 dollars (March)[1]	−27.3	59.3	88.9	+22.3
Contracts and orders, 1967 dollars (March)[1]	−29.6	8.2	72.8	+3.5
Housing starts (March)[1]	−58.6	30.2	59.1	+42.7
Stock prices (March)	−43.4	66.2	85.4	+50.7
Corporate profits after taxes, 1972 dollars (4th quarter)	−35.6	48.7	81.7	+26.9
II. Coincident indicators:				
Nonagricultural payroll employment (April)	−3.2	102.1	100.1	+3.3
Aggregate hours, nonagricultural establishments (March)	−5.0	61.3	98.1	+3.2
Unemployment level (April)[2]	+98.3	29.6	169.2	−14.7
GNP, 1972 dollars (1st quarter, 1976)	−6.6	97.0	99.8	+6.9
Personal income less transfer payments, 1967 dollars (March)	−7.4	64.2	97.4	+5.1
Industrial production (March)	−13.8	62.5	94.8	+10.0
Retail sales, 1967 dollars (March)[1]	−10.0	83.2	98.3	+9.2

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[1] 3-month averages have been used for the calculations for this series; for example, the averages of the specific trough month, the previous and following months were compared with the average for the latest 3 months available to obtain the entries in cols. (3) to (5). For other series single months have been used.

[2] The unemployment series tends to move counter to movements in general business activity; that is, the unemployment level tends to rise during recessions and decline during expansions. Col. (2) shows the percent of the increase in unemployment that has been offset.

TABLE 5.—MEASURES OF PROGRESS TOWARD PREVIOUS CYCLICAL PEAK LEVEL AT CORRESPONDING STAGE OF 1958-59 ECONOMIC RECOVERY

Series (1)	Percent decline during 1957-58 recession (2)	Percent of recession decline recovered (3)	Percent of previous peak level (4)	Percent change from trough (5)
Nonagricultural payroll employment	−4.3	89.6	99.5	+4.1
Unemployment level[1]	+102.4	64.2	136.7	−32.5
GNP, 1972 dollars	−3.2	213.1	103.7	+7.1

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[1] The unemployment series tends to move counter to movements in general business activity; that is, the unemployment level tends to rise during recessions and decline during expansions. Col. (2) shows the percent of the increase in unemployment that has been offset.

NEWS

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THE EMPLOYMENT SITUATION: APRIL 1976

Unemployment held steady in April, but employment increased substantially, it was reported today by the Bureau of Labor Statistics of the U. S. Department of Labor. The overall rate of unemployment was 7.5 percent, about the same as in the prior 2 months.

Total employment--as measured by the monthly survey of households--rose by more than 700,000 from March to a new high of 87.4 million. This level exceeded the March 1975 recession low by nearly 3.3 million and the July 1974 pre-recession peak by 1.1 million. Unlike earlier months, when most of the growth occurred among women, adult men accounted for the largest share of the April expansion.

Nonagricultural payroll employment--as measured by the monthly survey of establishments--rose by 340,000 to 78.9 million in April, also a new high. This was a continuation of the strong gains since last June, during which time the payroll job total has expanded by more than 2.5 million. A large part of this growth has taken place in the service-producing industries, while employment in the goods sector remained far below previous highs.

Unemployment

The number of unemployed persons totaled 7.0 million (seasonally adjusted) in April, little changed from the levels of the 2 previous months. Nevertheless, joblessness was substantially below the high levels prevailing throughout 1975; the May 1975 peak was nearly 8.3 million.

At 7.5 percent, the overall rate of unemployment was about the same for the third straight month, as was the case for most of the component labor force groups. The unemployment rate for adult males, however, did continue to edge down, reaching 5.4 percent in April. Their rate had been as high as 7.2 percent at the height of the recession. All worker groups have shown improvement from their 1975 recession highs. (See table A-2.)

Long-duration unemployment continued to decline in April, as those jobless for 15 weeks or more fell by 260,000 to 2.0 million. The number of unemployed persons in this category has dropped by more than a million from the December high, with the improvement particularly evident among those jobless for 15-26 weeks. Persons unemployed 15 weeks and over comprised less than 30 percent of the jobless total in April, compared with nearly 39 percent last December. The average duration of unemployment also

Table A. Highlights of the employment situation (seasonally adjusted data)

Selected categories	Quarterly averages					Monthly data		
	1975				1976	1976		
	I	II	III	IV	I	Feb.	Mar.	Apr.
	(Thousands of persons)							
Civilian labor force	91,789	92,531	93,134	93,153	93,553	93,455	93,719	94,439
Total employment	84,313	84,443	85,138	85,241	86,402	86,319	86,692	87,399
Adult men	47,345	47,286	47,551	47,540	47,998	47,997	48,081	48,524
Adult women	29,912	30,129	30,537	30,665	31,234	31,165	31,398	31,523
Teenagers	7,056	7,029	7,050	7,036	7,169	7,157	7,213	7,352
Unemployment	7,476	8,087	7,997	7,912	7,151	7,136	7,027	7,040
	(Percent of labor force)							
Unemployment rates:								
All workers	8.1	8.7	8.6	8.5	7.6	7.6	7.5	7.5
Adult men	6.2	7.0	7.0	7.0	5.7	5.7	5.6	5.4
Adult women	8.0	8.4	7.9	7.9	7.4	7.5	7.3	7.3
Teenagers	19.8	20.2	20.2	19.5	19.4	19.2	19.1	19.2
White	7.5	8.0	7.9	7.8	6.9	6.8	6.8	6.7
Black and other	13.4	14.1	14.1	14.0	13.1	13.7	12.5	13.0
Household heads	5.4	6.0	5.9	5.9	5.0	4.9	5.0	4.8
Married men	4.7	5.5	5.4	5.1	4.1	4.1	4.1	3.9
Full-time workers	7.7	8.4	8.3	8.2	7.1	7.1	7.0	7.0
	(Weeks)							
Average duration of unemployment	11.3	13.8	15.6	16.5	16.3	16.2	15.8	15.7
	(Thousands of persons)							
Nonfarm payroll employment	76,863	76,438	77,004	77,642	78,364p	78,368	78,545p	78,888p
Goods-producing industries	22,794	22,300	22,414	22,690	22,931p	22,901	22,977p	23,115p
Service-producing industries	54,069	54,138	54,590	54,952	55,433p	55,467	55,568p	55,773p
	(Hours of work)							
Average weekly hours:								
Total private nonfarm	36.1	35.9	36.1	36.3	36.4p	36.4	36.2p	36.0p
Manufacturing	39.0	39.1	39.6	40.0	40.3p	40.3	40.2p	39.3p
Manufacturing overtime	2.4	2.4	2.7	2.9	3.1p	3.1	3.2p	2.4p
	(1967=100)							
Hourly Earnings Index, private nonfarm:								
In current dollars	167.7	170.7	174.3	177.8	180.6p	180.8	181.4p	182.0p
In constant dollars	106.7	107.0	107.1	107.5	107.9p	108.1	108.2p	N.A.

p= preliminary.

N.A.=not available.

continued downward in April and, at 15.7 weeks, was more than a week below last December's peak. (See table A-4.)

In addition to the 7 million unemployed, there were 3.2 million persons in nonagricultural industries who were working part time involuntarily. (See table A-3.) After attaining a high of 3.8 million a year earlier, their number declined during the summer months but has shown no further improvement thereafter.

Total Employment and Labor Force

Total employment increased by 710,000 in April to a new high of 87.4 million, seasonally adjusted, marking a continuation of the strong growth that began April a year ago. Over this 13-month span, employment has increased by 3.3 million, an average of about a quarter of a million a month.

In contrast to recent months when adult women dominated the employment gains, the April increase was concentrated among adult men. This was also reflected in large increases in blue-collar occupations. Since the March 1975 low point, adult male employment has risen by 1.4 million, still 150,000 below the pre-recession peak level. In marked contrast, employment among adult women has exceeded their 1974 peak by nearly 1 million.

The civilian labor force surged upward by 720,000 in April to 94.4 million persons. Over the past year, the labor force has expanded by 2.1 million, with adult women comprising 1.2 million of the gain, adult men 550,000, and teenagers 360,000. (See table A-1.)

The sharp over-the-month increase in the labor force boosted the overall civilian labor force participation rate to an alltime high of 61.6 percent. The adult male rate rose by 0.5 percentage point in April to 79.8 percent, reversing, at least temporarily, a steady secular downtrend in their participation. This gain notwithstanding, their rate was still below the 1975 average level. Adult female participation edged up to a new high of 46.8 percent.

Industry Payroll Employment

Total nonagricultural payroll employment advanced by 340,000 in April to a high of 78.9 million, seasonally adjusted. Since the June 1975 low, the payroll job count has risen by 2.5 million, exceeding the previous alltime peak registered in September 1974. Of the 172 industries in the BLS diffusion index of nonagricultural payroll employment, about 70 percent registered employment increases. (See tables B-1 and B-6.)

As has been the case in most earlier months of the current expansion, the bulk of the over-the-month increase occurred in the service-producing sector. The April growth was paced by substantial gains in State and local government (65,000), wholesale and retail trade (60,000), and services (55,000). Finance, insurance, and real estate grew by about 25,000, while transportation and public utilities was about unchanged. Since last June, 1.7 million jobs have been added in this sector, 65 percent of the total payroll increase.

In the goods-producing sector, there was an April increase of 140,000, a continuation of the growth that has prevailed since last summer. However, because of the stronger recessionary decline in this sector, only about 30 percent of the cyclical drop has been recovered, such that total jobs in the goods sector were still 2 million below the December 1973 high.

Employment in manufacturing rose by 100,000 in April, primarily in durable goods where gains were posted in nearly every industry. Notable increases were registered in electrical equipment, transportation equipment, and primary metals. The only substantial increase in nondurables was in food and kindred products.

Hours

The average workweek for all production or nonsupervisory workers dropped by 0.2 hour in April to 36.0 hours (seasonally adjusted). The manufacturing workweek led this decline, as it fell 0.9 hour to 39.3 hours, with cutbacks registered throughout the durable and nondurable sectors. Most of this drop was in overtime hours. (See table B-2.) These declines were the direct result of Easter and Passover observances during the survey week.

The strong employment increase outweighed the reduction in hours, and the index of aggregate weekly hours of private nonagricultural production or nonsupervisory employees inched up 0.2 percent to 110.3 (1967=100). However, the unusually large decline in manufacturing hours in April pushed the factory index down 1.4 percent to 92.6. Prior to April, aggregate factory hours had been on a relatively steady uptrend since the March 1975 low. (See table B-5.)

Hourly and Weekly Earnings

Average hourly earnings of production or nonsupervisory workers on total private nonagricultural payrolls, seasonally adjusted, were unchanged in April but were up 6.7 percent over the year. Because of the reduction in weekly hours, average weekly earnings fell 0.6 percent over the month but were still 7.0 percent higher than a year ago.

Before adjustment for seasonality, average hourly earnings were $4.76, up 1 cent from March. Since April 1975, they have increased by 30 cents. Average weekly earnings were $170.41, 12 cents below the March level but $11.19 above last April. (See table B-3.)

The Hourly Earnings Index

The Hourly Earnings Index--earnings adjusted for overtime in manufacturing, seasonality, and the effects of changes in the proportion of workers in high-wage and low-wage industries--was 182.0 (1967=100) in April, 0.3 percent higher than in March. The index was 7.4 percent above April a year ago. During the 12-month period ended in March, the Hourly Earnings Index in dollars of constant purchasing power rose 1.0 percent. (See table B-4.)

This release presents and analyzes statistics from two major surveys. Data on labor force, total employment, and unemployment are derived from the sample survey of households conducted and tabulated by the Bureau of the Census for the Bureau of Labor Statistics. Statistics on payroll employment, hours, and earnings are collected by State agencies from payroll records of employers and are tabulated by the Bureau of Labor Statistics. Unless otherwise indicated, data for both series relate to the week of the specified month containing the 12th day. A description of the two surveys appears in the BLS publication *Employment and Earnings.*

Table A-1. Employment status of the noninstitutional population

(Numbers in thousands)

Employment status	Not seasonally adjusted			Seasonally adjusted					
	Apr. 1975	Mar. 1976	Apr. 1976	Apr. 1975	Dec. 1975	Jan. 1976	Feb. 1976	Mar. 1976	Apr. 1976
TOTAL									
Total noninstitutional population[1]	152,840	155,325	155,516	152,840	154,700	154,915	155,106	155,325	155,516
Total labor force	93,564	95,260	95,618	94,449	95,286	95,624	95,601	95,866	96,583
Participation rate	61.2	61.3	61.5	61.8	61.6	61.7	61.6	61.7	62.1
Civilian noninstitutional population[1]	150,645	153,178	153,371	150,645	152,543	152,775	152,960	153,178	153,371
Civilian labor force	91,369	93,112	93,474	92,254	93,129	93,484	93,455	93,719	94,439
Participation rate	60.7	60.8	60.9	61.2	61.1	61.2	61.1	61.2	61.6
Employed	83,549	85,588	86,584	84,313	85,394	86,194	86,319	86,692	87,399
Agriculture	3,171	2,897	3,273	3,301	3,236	3,343	3,170	3,179	3,417
Nonagricultural industries	80,377	82,691	83,311	81,012	82,158	82,851	83,149	83,513	83,982
Unemployed	7,820	7,525	6,890	7,941	7,735	7,290	7,136	7,027	7,040
Unemployment rate	8.6	8.1	7.4	8.6	8.3	7.8	7.6	7.5	7.5
Not in labor force	59,276	60,065	59,898	58,391	59,414	59,291	59,505	59,459	58,932
Males, 20 years and over									
Total noninstitutional population[1]	64,812	65,920	66,002	64,812	65,643	65,739	65,821	65,920	66,002
Total labor force	52,320	52,635	52,825	52,432	52,651	52,576	52,603	52,623	53,010
Participation rate	80.7	79.8	80.0	80.9	80.2	80.0	79.9	79.8	80.3
Civilian noninstitutional population[1]	63,080	64,230	64,311	63,080	63,929	64,055	64,133	64,230	64,311
Civilian labor force	50,588	50,945	51,134	50,701	50,937	50,892	50,914	50,934	51,319
Participation rate	80.2	79.3	79.5	80.4	79.7	79.5	79.4	79.3	79.8
Employed	46,901	47,525	48,129	47,271	47,586	47,916	47,997	48,081	48,524
Agriculture	2,401	2,202	2,379	2,427	2,316	2,351	2,305	2,301	2,405
Nonagricultural industries	44,500	45,322	45,750	44,844	45,270	45,565	45,692	45,780	46,119
Unemployed	3,688	3,421	3,005	3,430	3,351	2,976	2,917	2,853	2,795
Unemployment rate	7.3	6.7	5.9	6.8	6.6	5.8	5.7	5.6	5.4
Not in labor force	12,492	13,285	13,177	12,380	12,992	13,163	13,219	13,296	12,992
Females, 20 years and over									
Civilian noninstitutional population[1]	71,358	72,561	72,653	71,358	72,251	72,354	72,452	72,561	72,653
Civilian labor force	32,756	33,997	33,959	32,835	33,415	33,683	33,687	33,865	34,019
Participation rate	45.9	46.9	46.7	46.0	46.2	46.6	46.5	46.7	46.8
Employed	30,145	31,514	31,625	30,043	30,755	31,140	31,165	31,398	31,523
Agriculture	414	372	487	459	483	545	420	442	540
Nonagricultural industries	29,731	31,142	31,138	29,584	30,272	30,595	30,745	30,956	30,983
Unemployed	2,611	2,482	2,334	2,792	2,660	2,543	2,522	2,467	2,496
Unemployment rate	8.0	7.3	6.9	8.5	8.0	7.5	7.5	7.3	7.3
Not in labor force	38,602	38,564	38,695	38,523	38,836	38,671	38,765	38,696	38,634
Both sexes, 16-19 years									
Civilian noninstitutional population[1]	16,207	16,387	16,407	16,207	16,363	16,366	16,376	16,387	16,407
Civilian labor force	8,025	8,170	8,381	8,718	8,777	8,909	8,854	8,920	9,101
Participation rate	49.5	49.9	51.1	53.8	53.6	54.4	54.1	54.4	55.5
Employed	6,503	6,549	6,830	6,999	7,053	7,138	7,157	7,213	7,352
Agriculture	357	323	407	415	437	447	445	436	472
Nonagricultural industries	6,146	6,226	6,423	6,584	6,616	6,691	6,712	6,777	6,880
Unemployed	1,522	1,621	1,551	1,719	1,724	1,771	1,697	1,707	1,749
Unemployment rate	19.0	19.8	18.5	19.7	19.6	19.9	19.2	19.1	19.2
Not in labor force	8,182	8,216	8,026	7,489	7,586	7,457	7,522	7,467	7,306
WHITE									
Civilian noninstitutional population[1]	133,040	134,987	135,141	133,040	134,480	134,668	134,813	134,987	135,141
Civilian labor force	81,114	82,426	82,727	81,777	82,474	82,738	82,715	82,961	83,451
Participation rate	61.0	61.1	61.2	61.5	61.3	61.4	61.4	61.5	61.8
Employed	74,712	76,300	77,189	75,356	76,223	76,839	77,101	77,282	77,867
Unemployed	6,402	6,126	5,537	6,421	6,251	5,899	5,614	5,679	5,584
Unemployment rate	7.9	7.4	6.7	7.9	7.6	7.1	6.8	6.8	6.7
Not in labor force	51,926	52,561	52,414	51,263	52,006	51,930	52,098	52,026	51,690
BLACK AND OTHER									
Civilian noninstitutional population[1]	17,605	18,191	18,230	17,605	18,063	18,107	18,147	18,191	18,230
Civilian labor force	10,256	10,687	10,747	10,403	10,653	10,731	10,795	10,748	10,901
Participation rate	58.3	58.7	59.0	59.1	59.0	59.3	59.5	59.1	59.8
Employed	8,838	9,288	9,394	8,931	9,188	9,314	9,315	9,407	9,489
Unemployed	1,418	1,399	1,352	1,472	1,465	1,417	1,480	1,341	1,412
Unemployment rate	13.8	13.1	12.6	14.1	13.8	13.2	13.7	12.5	13.0
Not in labor force	7,349	7,504	7,483	7,202	7,410	7,376	7,352	7,443	7,329

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[1] Seasonal variations are not present in the population figures; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

Table A-2. Major unemployment indicators, seasonally adjusted

Selected categories	Number of unemployed persons (In thousands)		Unemployment rates					
	Apr. 1975	Apr. 1976	Apr. 1975	Dec. 1975	Jan. 1976	Feb. 1976	Mar. 1976	Apr. 1976
Total, 16 years and over	7,941	7,040	8.6	8.3	7.8	7.6	7.5	7.5
Males, 20 years and over	3,430	2,795	6.8	6.6	5.8	5.7	5.6	5.4
Females, 20 years and over	2,792	2,496	8.5	8.0	7.5	7.5	7.3	7.3
Both sexes, 16-19 years	1,719	1,749	19.7	19.6	19.9	19.2	19.1	19.2
White, total	6,421	5,584	7.9	7.6	7.1	6.8	6.8	6.7
Males, 20 years and over	2,817	2,269	6.2	5.9	5.2	5.0	5.1	4.9
Females, 20 years and over	2,273	1,969	8.0	7.5	7.0	6.7	6.8	6.7
Both sexes, 16-19 years	1,331	1,346	17.2	17.8	18.3	17.1	17.2	16.6
Black and other, total	1,472	1,412	14.1	13.8	13.2	13.7	12.5	13.0
Males, 20 years and over	617	531	12.0	12.3	11.2	11.2	10.3	10.0
Females, 20 years and over	494	506	11.5	10.8	11.0	12.2	10.1	10.9
Both sexes, 16-19 years	361	375	38.2	35.2	34.6	35.2	35.9	39.2
Household heads, total	3,089	2,604	5.8	5.7	5.1	4.9	5.0	4.8
Males	2,477	2,009	5.5	5.2	4.6	4.4	4.5	4.5
With relatives	2,070	1,565	5.1	4.7	4.1	4.0	4.0	3.9
Without relatives	407	444	9.3	9.5	8.4	8.0	8.8	9.3
Females	594	598	7.3	8.6	8.2	8.0	7.3	6.9
With relatives	361	385	9.3	10.6	10.3	10.4	9.4	9.3
Without relatives	233	213	5.5	6.7	6.1	5.7	5.4	4.7
Married men, spouse present	2,121	1,564	5.3	4.8	4.1	4.1	4.1	3.9
Full-time workers	6,564	5,609	8.3	7.9	7.3	7.1	7.0	7.0
Part-time workers	1,413	1,486	10.5	10.5	10.5	10.4	10.3	10.7
Unemployed 15 weeks and over[1]	2,278	2,035	2.5	3.3	3.0	2.7	2.4	2.2
Labor force time lost[2]	--	--	9.4	8.9	8.4	8.1	8.2	8.2
OCCUPATION[3]								
White-collar workers	2,118	2,171	4.8	4.8	4.7	4.6	4.6	4.8
Professional and technical	438	457	3.3	3.1	3.0	3.6	3.5	3.4
Managers and administrators, except farm	283	266	3.1	3.0	2.9	2.9	2.9	2.8
Sales workers	336	282	5.7	6.3	6.4	5.2	5.0	4.9
Clerical workers	1,061	1,166	6.5	6.6	6.4	6.1	6.3	7.0
Blue-collar workers	4,011	2,894	12.6	10.7	9.4	9.3	9.1	9.0
Craft and kindred workers	1,036	839	8.7	7.2	6.6	6.7	6.7	7.0
Operatives	2,181	1,380	14.5	12.2	10.2	9.8	9.8	9.3
Nonfarm laborers	794	675	16.4	14.9	14.1	14.1	12.9	13.2
Service workers	1,016	1,052	8.2	9.2	9.3	8.9	8.6	8.1
Farm workers	108	147	3.7	4.5	3.9	3.9	5.0	4.8
INDUSTRY[3]								
Nonagricultural private wage and salary workers[4]	6,398	5,167	9.6	8.9	8.1	8.0	7.7	7.6
Construction	823	653	19.0	16.6	15.4	15.5	16.0	15.3
Manufacturing	2,531	1,639	11.8	9.6	8.1	8.0	7.3	7.6
Durable goods	1,567	974	12.2	9.9	8.2	8.0	7.4	7.7
Nondurable goods	964	665	11.2	9.2	8.0	8.1	7.1	7.6
Transportation and public utilities	301	195	6.2	5.1	4.9	4.7	4.5	4.1
Wholesale and retail trade	1,495	1,433	8.9	9.4	8.7	8.4	8.7	8.3
Finance and service industries	1,211	1,217	6.5	7.0	7.0	6.8	6.1	6.2
Government workers	563	771	3.7	4.4	4.2	4.4	4.5	5.0
Agricultural wage and salary workers	176	183	11.2	12.4	10.8	10.6	11.8	11.6
VETERAN STATUS								
Males, Vietnam-era veterans[5]:								
20 to 34 years	570	419	9.5	10.3	8.1	7.8	7.0	6.7
20 to 24 years	235	141	22.3	22.0	18.9	17.9	15.6	14.7
25 to 29 years	232	198	7.1	9.9	7.1	7.1	6.6	6.2
30 to 34 years	103	80	6.2	5.3	4.8	4.6	3.8	3.7
Males, nonveterans:								
20 to 34 years	1,406	1,179	10.0	9.2	8.8	8.3	8.3	7.9
20 to 24 years	885	723	14.0	12.6	12.0	11.0	11.8	10.8
25 to 29 years	292	276	7.1	6.8	7.3	6.6	6.0	6.0
30 to 34 years	229	180	6.2	6.0	4.8	5.5	4.9	5.0

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

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

[3] Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.

[4] Includes mining, not shown separately.

[5] Vietnam-era veterans are those who served between August 5, 1964, and April 30, 1975.

Table A-3. Selected employment indicators

[In thousands]

Selected categories	Not seasonally adjusted		Seasonally adjusted					
	Apr. 1975	Apr. 1976	Apr. 1975	Dec. 1975	Jan. 1976	Feb. 1976	Mar. 1976	Apr. 1976
Total employed, 16 years and over	83,549	86,584	84,313	85,394	86,194	86,319	86,692	87,399
Males	50,407	51,812	51,046	51,390	51,761	51,870	51,944	52,490
Females	33,142	34,772	33,267	34,004	34,433	34,449	34,748c	34,909
Household heads	49,696	50,960	49,890	50,332	50,628	50,737	50,789	51,165
Married men, spouse present	37,662	38,014	37,868	37,739	37,996	37,931	38,087	38,205
Married women, spouse present	19,454	20,113	19,423	19,859	20,065	19,976	20,001	20,073
OCCUPATION								
White-collar workers	42,092	43,360	42,154	42,326	42,797	43,028	43,458	43,433
Professional and technical	12,780	13,134	12,654	13,026	13,166	13,094	13,204	13,004
Managers and administrators, except farm	8,612	9,237	8,749	8,837	9,044	9,135	9,300	9,387
Sales workers	5,515	5,483	5,518	5,296	5,224	5,333	5,398	5,488
Clerical workers	15,185	15,507	15,233	15,167	15,363	15,466	15,556	15,554
Blue-collar workers	27,216	28,470	27,823	28,408	28,759	28,725	28,545	29,110
Craft and kindred workers	10,716	10,982	10,895	11,265	11,266	11,297	11,030	11,161
Operatives	12,636	13,265	12,867	13,043	13,303	13,214	13,191	13,508
Nonfarm laborers	3,864	4,223	4,061	4,100	4,190	4,214	4,324	4,441
Service workers	11,493	11,923	11,435	11,837	11,926	11,848	11,781	11,858
Farm workers	2,747	2,830	2,829	2,782	2,868	2,772	2,712	2,922
MAJOR INDUSTRY AND CLASS OF WORKER								
Agriculture:								
Wage and salary workers	1,118	1,294	1,200	1,231	1,300	1,295	1,317	1,388
Self-employed workers	1,716	1,626	1,731	1,663	1,649	1,596	1,568	1,641
Unpaid family workers	337	353	376	300	331	300	284	394
Nonagricultural industries:								
Wage and salary workers	74,339	77,311	74,852	76,038	76,568	77,023	77,376	77,834
Private households	1,315	1,348	1,318	1,309	1,287	1,200	1,308	1,351
Government	14,643	14,988	14,459	14,719	14,779	14,891	14,980	14,796
Other	58,381	60,975	59,075	60,010	60,502	60,932	61,088	61,687
Self-employed workers	5,558	5,524	5,642	5,683	5,693	5,684	5,594	5,608
Unpaid family workers	481	476	468	510	528	490	444	463
PERSONS AT WORK [1]								
Nonagricultural industries	77,260	78,337	76,366	77,380	78,506	78,399	78,167	77,413
Full-time schedules	62,129	63,835	62,025	63,730	64,211	64,381	64,328	63,708
Part time for economic reasons	3,480	2,937	3,803	3,243	3,482	3,262	3,266	3,248
Usually work full time	1,825	1,330	1,841	1,332	1,415	1,308	1,230	1,342
Usually work part time	1,655	1,607	1,962	1,911	2,067	1,954	2,036	1,906
Part time for noneconomic reasons	11,651	11,565	10,538	10,407	10,813	10,755	10,573	10,457

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

c= corrected.

Table A-4. Duration of unemployment

[Numbers in thousands]

Weeks of unemployment	Not seasonally adjusted		Seasonally adjusted					
	Apr. 1975	Apr. 1976	Apr. 1975	Dec. 1975	Jan. 1976	Feb. 1976	Mar. 1976	Apr. 1976
Less than 5 weeks	2,419	2,455	2,935	2,648	2,706	2,686	2,609	2,979
5 to 14 weeks	2,347	1,706	2,590	2,244	2,091	1,856	1,905	1,883
15 weeks and over	3,054	2,729	2,278	3,080	2,785	2,515	2,294	2,035
15 to 26 weeks	2,002	1,194	1,341	1,413	1,155	957	903	669
27 weeks and over	1,052	1,534	937	1,667	1,630	1,558	1,391	1,366
Average (mean) duration, in weeks	14.7	18.0	12.8	17.0	16.9	16.2	15.8	15.7
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	30.9	35.6	37.6	33.2	35.7	38.1	38.3	43.2
5 to 14 weeks	30.0	24.8	33.2	28.1	27.6	26.3	28.0	27.3
15 weeks and over	39.1	39.6	29.2	38.6	36.7	35.6	33.7	29.5
15 to 26 weeks	25.6	17.3	17.2	17.7	15.2	13.6	13.3	9.7
27 weeks and over	13.5	22.3	12.0	20.9	21.5	22.1	20.4	19.8

Table A-5. Reasons for unemployment

[Numbers in thousands]

Reason	Not seasonally adjusted		Seasonally adjusted					
	Apr. 1975	Apr. 1976	Apr. 1975	Dec. 1975	Jan. 1976	Feb. 1976	Mar. 1976	Apr. 1976
NUMBER OF UNEMPLOYED								
Lost last job	4,783	3,768	4,442	3,955	3,481	3,440	3,502	3,499
Left last job	746	769	807	862	849	848	760	831
Reentered labor force	1,663	1,595	1,912	1,975	1,985	1,864	1,857	1,833
Seeking first job	627	758	763	865	886	849	853	894
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	61.1	54.7	56.1	51.7	48.3	49.1	50.2	49.6
Job leavers	9.5	11.2	10.2	11.3	11.8	12.1	10.9	11.8
Reentrants	21.3	23.1	24.1	25.8	27.6	26.6	26.6	26.0
New entrants	8.0	11.0	9.6	11.3	12.3	12.1	12.2	12.7
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE								
Job losers	5.2	4.0	4.8	4.2	3.7	3.7	3.7	3.7
Job leavers	.8	.8	.9	.9	.9	.9	.8	.9
Reentrants	1.8	1.7	2.1	2.1	2.1	2.0	2.0	1.9
New entrants	.7	.8	.8	.9	.9	.9	.9	.9

Table A-6. Unemployment by sex and age

Sex and age	Not seasonally adjusted			Seasonally adjusted unemployment rates					
	Thousands of persons		Percent looking for full-time work						
	Apr. 1975	Apr. 1976	Apr. 1976	Apr. 1975	Dec. 1975	Jan. 1976	Feb. 1976	Mar. 1976	Apr. 1976
Total, 16 years and over	7,820	6,890	80.7	8.6	8.3	7.8	7.6	7.5	7.5
16 to 19 years	1,522	1,551	57.4	19.7	19.6	19.9	19.2	19.1	19.2
16 to 17 years	675	690	31.4	21.0	20.6	21.2	21.4	20.0	20.8
18 to 19 years	847	861	78.3	18.8	18.9	19.0	17.5	18.6	18.2
20 to 24 years	1,829	1,565	87.0	14.2	13.5	12.7	12.1	12.1	11.8
25 years and over	4,469	3,773	87.7	6.2	5.9	5.4	5.3	5.1	5.1
25 to 54 years	3,725	3,085	90.3	6.6	6.2	5.5	5.5	5.2	5.3
55 years and over	744	689	76.1	4.9	5.0	4.5	4.8	4.8	4.6
Males, 16 years and over	4,571	3,906	84.1	8.0	7.6	7.1	6.9	6.8	6.7
16 to 19 years	883	901	57.5	20.6	19.0	20.1	19.3	19.3	20.1
16 to 17 years	405	410	33.2	22.0	19.3	21.5	21.0	20.8	21.5
18 to 19 years	478	491	77.8	19.6	18.7	19.6	17.8	18.4	19.1
20 to 24 years	1,135	874	88.7	15.1	13.8	12.8	11.9	12.0	11.2
25 years and over	2,553	2,131	93.4	5.5	5.4	4.7	4.6	4.5	4.5
25 to 54 years	2,102	1,720	96.6	5.7	5.6	4.8	4.6	4.3	4.6
55 years and over	451	412	79.6	4.7	4.7	4.2	4.6	5.0	4.4
Females, 16 years and over	3,249	2,984	76.4	9.6	9.3	8.9	8.7	8.6c	8.5
16 to 19 years	638	650	57.4	18.6	20.3	19.6	19.1	18.9	18.1
16 to 17 years	269	280	28.9	19.7	22.2	20.8	21.7	19.1	19.9
18 to 19 years	369	370	78.9	18.0	19.1	18.4	17.2	18.8	17.1
20 to 24 years	695	691	84.9	13.2	13.1	12.7	12.2	12.2	12.6
25 years and over	1,916	1,642	80.3	7.4	6.8	6.4	6.4	6.2	6.1
25 to 54 years	1,622	1,365	82.3	8.0	7.2	6.6	6.9	6.5	6.5
55 years and over	293	277	70.8	5.3	5.4	5.1	5.0	4.5	4.9

c= corrected.

Table B-1. Employees on nonagricultural payrolls, by industry

(In thousands)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Apr. 1975	Feb. 1976	Mar. 1976^{p}	Apr. 1976^{p}	Apr. 1975	Dec. 1975	Jan. 1976	Feb. 1976	Mar. 1976^{p}	Apr. 1976^{p}
TOTAL	76,177	77,339	77,827	78,617	76,462	77,796	78,179	78,368	78,545	78,888
GOODS-PRODUCING	22,036	22,311	22,510	22,822	22,328	22,743	22,914	22,901	22,977	23,115
MINING	726	752	759	768	732	769	764	763	770	774
CONTRACT CONSTRUCTION	3,310	3,014	3,093	3,256	3,441	3,406	3,428	3,375	3,355	3,385
MANUFACTURING	18,000	18,545	18,658	18,798	18,155	18,568	18,722	18,763	18,852	18,956
Production workers	12,731	13,290	13,397	13,517	12,863	13,311	13,448	13,487	13,562	13,656
DURABLE GOODS	10,583	10,737	10,826	10,942	10,637	10,717	10,820	10,846	10,926	10,996
Production workers	7,443	7,626	7,708	7,808	7,483	7,603	7,698	7,722	7,790	7,854
Ordnance and accessories	174.2	161.1	160.5	158.9	176	163	162	162	161	161
Lumber and wood products	527.1	575.2	579.8	590.6	536	581	592	595	597	600
Furniture and fixtures	431.4	480.2	483.4	487.4	436	473	477	484	487	492
Stone, clay, and glass products	602.8	592.8	602.6	612.7	608	616	616	612	616	618
Primary metal industries	1,192.3	1,158.6	1,166.3	1,184.0	1,189	1,158	1,162	1,168	1,170	1,180
Fabricated metal products	1,320.9	1,351.0	1,362.8	1,375.1	1,332	1,344	1,358	1,369	1,379	1,386
Machinery, except electrical	2,101.7	2,045.1	2,050.4	2,056.5	2,098	2,030	2,039	2,039	2,046	2,052
Electrical equipment	1,731.8	1,787.5	1,801.0	1,821.6	1,746	1,773	1,785	1,795	1,819	1,836
Transportation equipment	1,627.2	1,680.8	1,704.3	1,731.5	1,631	1,676	1,712	1,699	1,723	1,735
Instruments and related products	483.8	497.9	500.9	504.7	488	494	498	501	504	509
Miscellaneous manufacturing	389.5	406.6	413.5	419.2	397	409	419	422	424	427
NONDURABLE GOODS	7,417	7,808	7,832	7,856	7,518	7,851	7,902	7,917	7,926	7,960
Production workers	5,288	5,664	5,689	5,709	5,380	5,708	5,750	5,765	5,772	5,802
Food and kindred products	1,588.9	1,632.2	1,621.6	1,627.6	1,664	1,688	1,700	1,709	1,689	1,704
Tobacco manufactures	69.0	74.9	69.7	67.6	75	79	79	77	74	74
Textile mill products	863.2	961.7	962.3	969.2	865	955	958	964	963	971
Apparel and other textile products	1,191.0	1,306.0	1,322.2	1,317.0	1,191	1,299	1,314	1,306	1,321	1,317
Paper and allied products	624.7	661.3	663.0	663.6	629	658	665	667	668	668
Printing and publishing	1,082.1	1,067.7	1,070.7	1,073.9	1,084	1,074	1,069	1,069	1,073	1,076
Chemicals and allied products	1,000.0	1,019.3	1,026.8	1,027.9	1,003	1,018	1,024	1,029	1,030	1,031
Petroleum and coal products	190.1	197.5	198.6	200.0	193	201	203	204	204	203
Rubber and plastics products, nec.	563.6	613.6	622.0	631.3	568	608	615	617	627	636
Leather and leather products	244.3	273.7	275.0	277.6	246	271	275	275	277	280
SERVICE-PRODUCING	54,141	55,028	55,317	55;795	54,134	55,053	55,265	55,467	55,568	55,773
TRANSPORTATION AND PUBLIC UTILITIES	4,472	4,445	4,457	4,461	4,508	4,477	4,494	4,517	4,493	4,497
WHOLESALE AND RETAIL TRADE	16,691	16,926	17,014	17,282	16,847	17,080	17,233	17,326	17,371	17,429
WHOLESALE TRADE	4,134	4,189	4,191	4,207	4,176	4,190	4,214	4,236	4,233	4,249
RETAIL TRADE	12,557	12,737	12,823	13,075	12,671	12,890	13,019	13,090	13,138	13,180
FINANCE, INSURANCE, AND REAL ESTATE	4,192	4,228	4,246	4,283	4,209	4,264	4,266	4,266	4,276	4,300
SERVICES	13,878	14,188	14,296	14,466	13,878	14,229	14,307	14,360	14,411	14,466
GOVERNMENT	14,908	15,241	15,304	15,303	14,692	15,003	14,965	14,998	15,017	15,081
FEDERAL	2,732	2,726	2,724	2,731	2,731	2,755	2,746	2,740	2,732	2,731
STATE AND LOCAL	12,176	12,515	12,580	12,572	11,961	12,248	12,219	12,258	12,285	12,350

p=preliminary.

Table B-2. Average weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	Apr. 1975	Feb. 1976	Mar. 1976^{p}	Apr. 1976^{p}	Apr. 1975	Dec. 1975	Jan. 1976	Feb. 1976	Mar. 1976^{p}	Apr. 1976^{p}
TOTAL PRIVATE	35.7	36.0	35.9	35.8	35.9	36.4	36.5	36.4	36.2	36.0
MINING	40.8	42.7	42.4	43.2	41.1	42.8	43.0	43.1	43.0	43.5
CONTRACT CONSTRUCTION	36.4	36.5	35.7	36.9	36.8	37.3	37.7	37.9	35.9	37.3
MANUFACTURING	38.9	39.9	40.0	39.1	39.1	40.3	40.5	40.3	40.2	39.3
Overtime hours	2.2	2.9	3.0	2.3	2.3	3.0	3.0	3.1	3.2	2.4
DURABLE GOODS	39.6	40.4	40.5	39.6	39.7	40.7	40.9	40.7	40.6	39.7
Overtime hours	2.2	2.8	3.0	2.2	2.4	2.9	2.9	3.0	3.1	2.4
Ordnance and accessories	41.2	40.8	40.9	39.9	41.3	41.3	41.6	40.7	40.7	40.0
Lumber and wood products	38.8	40.0	39.8	40.1	38.8	40.2	40.8	40.5	40.0	40.1
Furniture and fixtures	36.8	38.6	38.7	38.1	37.2	39.5	39.4	39.3	39.0	38.6
Stone, clay, and glass products	40.1	40.7	40.6	40.6	40.3	41.3	41.5	41.4	40.7	40.8
Primary metal industries	39.8	40.4	40.6	40.2	39.7	40.3	40.4	40.6	40.6	40.1
Fabricated metal products	39.5	40.5	40.7	39.2	39.7	41.1	41.0	41.0	40.9	39.4
Machinery, except electrical	40.8	41.1	41.1	40.0	41.0	41.2	41.3	41.2	41.0	40.2
Electrical equipment	39.2	39.9	40.0	38.8	39.4	40.1	40.4	40.2	40.1	39.0
Transportation equipment	39.8	41.4	41.7	39.9	40.5	41.9	41.7	41.6	42.0	40.6
Instruments and related products	39.1	40.0	40.1	39.3	39.2	40.3	40.4	40.2	40.2	39.4
Miscellaneous manufacturing	38.1	38.5	38.8	37.9	38.1	39.2	39.1	38.7	38.8	37.9
NONDURABLE GOODS	37.8	39.3	39.3	38.5	38.0	39.7	39.9	39.7	39.5	38.7
Overtime hours	2.1	2.9	3.0	2.4	2.2	3.2	3.3	3.1	3.2	2.5
Food and kindred products	39.3	39.8	39.7	39.5	39.9	40.5	40.7	40.5	40.2	40.1
Tobacco manufactures	37.4	38.3	38.3	38.4	38.3	37.7	39.1	39.5	39.3	39.3
Textile mill products	37.6	40.6	40.6	38.9	37.7	41.2	41.4	40.9	40.7	39.0
Apparel and other textile products	34.2	36.0	36.1	34.9	34.3	36.6	36.6	36.3	36.1	35.0
Paper and allied products	40.2	42.2	42.2	41.5	40.4	42.9	42.7	42.7	42.5	41.7
Printing and publishing	36.6	37.1	37.4	36.8	36.8	37.6	37.8	37.5	37.5	37.0
Chemicals and allied products	40.5	41.5	41.5	42.0	40.3	41.7	41.6	41.7	41.5	41.8
Petroleum and coal products	41.0	41.6	41.7	41.9	41.0	41.8	42.5	42.4	42.2	41.9
Rubber and plastics products, nec	39.0	40.6	40.8	39.4	39.0	40.6	40.9	40.9	41.0	39.4
Leather and leather products	36.0	38.2	38.2	36.7	36.5	38.7	38.6	38.4	38.6	37.2
TRANSPORTATION AND PUBLIC UTILITIES	39.4	39.5	39.6	39.3	39.8	39.9	39.6	39.8	40.0	39.7
WHOLESALE AND RETAIL TRADE	33.4	33.4	33.3	33.6	33.7	33.9	33.9	33.9	33.7	33.9
WHOLESALE TRADE	38.3	38.5	38.5	38.6	38.6	38.8	38.9	38.8	38.7	38.9
RETAIL TRADE	31.9	31.8	31.7	32.2	32.3	32.4	32.5	32.3	32.2	32.6
FINANCE, INSURANCE, AND REAL ESTATE	36.2	36.7	36.4	36.4	36.2	36.4	36.5	36.7	36.5	36.4
SERVICES	33.5	33.5	33.3	33.3	33.7	33.6	33.7	33.7	33.5	33.5

[1] Data relate to production workers in mining and manufacturing; to construction workers in contract construction; and to 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 employment on private nonagricultural payrolls.

p=preliminary.

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry

Industry	Average hourly earnings				Average weekly earnings			
	Apr. 1975	Feb. 1976	Mar. 1976p	Apr. 1976p	Apr. 1975	Feb. 1976	Mar. 1976p	Apr. 1976p
TOTAL PRIVATE	$4.46	$4.74	$4.75	$4.76	$159.22	$170.64	$170.53	$170.41
Seasonally adjusted	4.47	4.75	4.77	4.77	160.47	172.90	172.67	171.72
MINING	5.73	6.29	6.29	6.30	233.78	268.58	266.70	272.16
CONTRACT CONSTRUCTION	7.12	7.47	7.56	7.49	259.17	272.66	269.89	276.38
MANUFACTURING	4.73	5.04	5.06	5.05	184.00	201.10	202.40	197.46
DURABLE GOODS	5.04	5.40	5.43	5.40	199.58	218.16	219.92	213.84
Ordnance and accessories	5.10	5.54	5.57	5.61	210.12	226.03	227.81	223.84
Lumber and wood products	4.13	4.48	4.49	4.47	160.24	179.20	178.70	179.25
Furniture and fixtures	3.71	3.87	3.90	3.89	136.53	149.38	150.93	148.21
Stone, clay, and glass products	4.78	5.07	5.11	5.18	191.68	206.35	207.47	210.31
Primary metal industries	6.01	6.56	6.62	6.71	239.20	265.02	268.77	269.74
Fabricated metal products	4.93	5.30	5.32	5.27	194.74	214.65	216.52	206.58
Machinery, except electrical	5.26	5.63	5.65	5.61	214.61	231.39	232.22	224.40
Electrical equipment	4.51	4.78	4.81	4.75	176.79	190.72	192.40	184.30
Transportation equipment	5.86	6.38	6.44	6.34	233.23	264.13	268.55	252.97
Instruments and related products	4.49	4.77	4.78	4.77	175.56	190.80	191.68	187.46
Miscellaneous manufacturing	3.75	3.95	3.96	3.95	142.88	152.08	153.65	149.71
NONDURABLE GOODS	4.27	4.54	4.55	4.57	161.41	178.42	178.82	175.95
Food and kindred products	4.49	4.83	4.83	4.87	176.46	192.23	191.75	192.37
Tobacco manufactures	4.77	4.88	5.04	5.21	178.40	186.90	193.03	200.06
Textile mill products	3.32	3.56	3.57	3.53	124.83	144.54	144.94	137.32
Apparel and other textile products	3.16	3.33	3.36	3.35	108.07	119.88	121.30	116.92
Paper and allied products	4.81	5.25	5.26	5.27	193.36	221.55	221.97	218.71
Printing and publishing	5.25	5.58	5.59	5.58	192.15	207.02	209.07	205.34
Chemicals and allied products	5.22	5.69	5.70	5.76	211.41	236.14	236.55	241.92
Petroleum and coal products	6.30	7.03	7.08	7.07	258.30	292.45	295.24	296.23
Rubber and plastics products, nec	4.25	4.52	4.55	4.48	165.75	183.51	185.64	176.51
Leather and leather products	3.21	3.39	3.40	3.41	115.56	129.50	129.88	125.15
TRANSPORTATION AND PUBLIC UTILITIES	5.75	6.29	6.29	6.34	226.55	248.46	249.08	249.16
WHOLESALE AND RETAIL TRADE	3.69	3.90	3.90	3.91	123.25	130.26	129.87	131.38
WHOLESALE TRADE	4.80	5.07	5.06	5.10	183.84	195.20	194.81	196.86
RETAIL TRADE	3.29	3.48	3.48	3.48	104.95	110.66	110.32	112.06
FINANCE, INSURANCE, AND REAL ESTATE	4.09	4.33	4.30	4.31	148.06	158.91	156.52	156.88
SERVICES	3.99	4.29	4.29	4.29	133.67	143.72	142.86	142.86

[1] See footnote 1, table B-2.

p=preliminary.

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Table B-4. Hourly earnings index for production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry division, seasonally adjusted

[1967=100]

Industry	Apr. 1975	Nov. 1976	Dec. 1976	Jan. 1976	Feb. 1976	Mar. P 1976	Apr. P 1976	Percent change from Apr. 1975- Apr. 1976	Percent change from Mar. 1976- Apr. 1976
TOTAL PRIVATE NONFARM:									
Current dollars	169.4	178.2	178.6	179.6	180.8	181.4	182.0	7.4	0.3
Constant (1967) dollars	106.8	107.7	107.3	107.5	108.1	108.2	N.A.	(1)	(2)
MINING	178.1	189.4	190.2	192.2	193.6	194.5	194.8	9.4	.2
CONTRACT CONSTRUCTION	173.7	179.2	180.3	180.0	180.1	183.7	182.8	5.2	-.5
MANUFACTURING	168.6	176.9	177.6	178.8	179.8	180.7	181.7	7.8	.6
TRANSPORTATION AND PUBLIC UTILITIES	177.6	190.7	190.5	192.2	194.1	194.9	196.3	10.5	.7
WHOLESALE AND RETAIL TRADE	164.9	172.9	172.4	174.0	174.4	174.7	175.1	6.2	.2
FINANCE, INSURANCE, AND REAL ESTATE	159.4	167.1	165.1	165.9	168.3	168.1	168.3	5.6	.1
SERVICES	172.5	182.2	182.6	184.6	185.4	185.6	185.8	7.7	.1

[1] See footnote 1, table B-2.

[2] Percent change was 1.0 from March 1975 to March 1976, the latest month available.

[3] Percent change was 0.1 from February 1976 to March 1976, the latest month available.

N.A. = not available.

p=preliminary.

NOTE: All series are in current dollars except where indicated. The index excludes effects of two types of changes that are unrelated to underlying wage-rate developments: Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries.

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry, seasonally adjusted

[1967 = 100]

Industry division and group	1975 Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	1976 Jan.	Feb.	Mar.P	Apr.P
TOTAL	106.0	106.3	106.0	106.2	107.4	107.9	108.4	108.8	109.3	110.3	110.5	110.1	110.3
GOODS-PRODUCING	89.2	89.4	88.9	89.3	91.2	92.4	92.7	92.9	94.3	95.5	95.2	94.6	94.3
MINING	113.7	119.4	118.4	118.8	118.6	119.9	125.0	124.7	125.7	125.2	124.4	125.6	126.7
CONTRACT CONSTRUCTION	99.0	99.3	94.9	96.2	98.3	98.6	97.3	97.7	98.8	100.3	98.8	93.1	97.7
MANUFACTURING	86.6	86.6	86.8	87.1	89.0	90.3	90.8	90.9	92.5	93.7	93.6	93.9	92.6
DURABLE GOODS	86.5	85.4	85.2	84.9	86.7	87.7	87.8	88.1	90.0	91.3	91.3	91.9	90.7
Ordnance and accessories	47.7	47.5	46.9	44.7	43.7	43.0	42.9	40.8	41.5	41.6	40.9	40.9	40.2
Lumber and wood products	82.5	84.4	85.8	86.7	88.8	90.1	92.1	90.8	93.4	97.0	96.4	95.6	96.4
Furniture and fixtures	85.8	87.7	87.2	88.7	92.6	97.4	97.9	99.2	101.0	101.5	103.1	103.1	103.0
Stone, clay, and glass products	92.6	92.6	92.4	93.1	94.5	95.7	95.7	96.2	97.1	97.6	96.7	95.5	96.5
Primary metal industries	84.1	82.1	80.8	80.0	81.7	83.5	81.9	82.3	83.6	84.1	84.9	85.2	84.9
Fabricated metal products	90.1	89.0	88.5	86.7	90.9	92.0	92.8	92.7	94.6	95.7	96.6	97.2	94.4
Machinery, except electrical	96.6	93.1	91.3	90.4	91.0	91.8	91.9	92.0	92.5	93.4	93.2	93.2	91.4
Electrical equipment and supplies	83.3	81.9	81.8	81.6	84.3	84.9	85.8	85.5	87.5	89.0	89.2	90.6	89.4
Transportation equipment	80.4	80.2	81.4	82.0	82.9	82.2	81.5	83.1	87.3	89.0	88.2	90.4	88.3
Instruments and related products	98.2	97.1	97.0	98.1	97.2	99.4	100.8	101.7	103.4	105.0	105.2	105.9	105.5
Miscellaneous manufacturing, Ind.	86.0	86.5	87.0	87.7	89.0	91.4	91.3	90.8	91.7	94.4	94.3	94.8	93.2
NONDURABLE GOODS	86.7	88.2	89.1	90.2	92.4	94.1	95.1	95.0	96.2	97.1	96.9	96.7	95.3
Food and kindred products	92.4	92.9	93.1	93.4	96.1	96.9	96.5	95.1	95.4	96.9	97.3	95.0	95.7
Tobacco manufactures	83.4	80.3	86.7	80.8	85.8	88.1	85.6	93.4	87.4	90.6	88.8	84.2	84.2
Textile mill products	80.8	85.7	87.0	88.5	93.0	96.4	98.1	98.0	99.1	99.7	99.0	98.5	95.2
Apparel and other textile products	78.5	79.8	82.4	84.6	85.3	87.8	90.0	90.1	92.1	93.1	91.8	92.3	89.2
Paper and allied products	84.5	85.7	86.4	87.6	89.6	91.3	92.0	92.6	94.7	95.2	95.8	95.5	94.1
Printing and publishing	92.6	92.0	91.2	90.9	92.4	91.9	91.8	92.4	93.5	93.4	92.5	92.8	92.0
Chemicals and allied products	91.4	92.7	92.6	93.0	94.5	96.1	97.4	97.6	98.1	98.5	99.4	99.1	100.2
Petroleum and coal products	101.4	104.4	105.3	107.2	107.3	108.9	110.2	111.6	111.1	113.8	114.4	113.9	113.1
Rubber and plastics products, nec	102.1	105.1	105.1	106.9	110.6	113.0	114.7	113.5	116.2	118.8	119.3	122.1	119.0
Leather and leather products	65.8	66.8	69.6	71.4	72.1	74.9	77.2	77.2	78.1	79.3	78.9	80.3	77.7
SERVICE-PRODUCING	117.6	118.0	117.8	118.0	118.7	118.7	119.3	119.8	119.7	120.6	121.0	120.8	121.5
TRANSPORTATION AND PUBLIC UTILITIES	102.3	100.3	100.6	100.3	100.5	101.1	101.2	101.5	101.7	101.5	102.7	102.6	101.7
WHOLESALE AND RETAIL TRADE	113.4	113.9	113.7	114.0	114.6	114.6	115.1	115.2	115.5	116.8	116.8	116.7	118.3
WHOLESALE TRADE	111.5	111.4	110.3	110.8	111.0	111.3	112.0	111.5	112.3	113.4	113.6	113.2	114.1
RETAIL TRADE	114.0	114.8	115.0	115.2	115.9	115.8	116.2	116.6	116.6	118.1	118.0	118.0	119.9
FINANCE, INSURANCE, AND REAL ESTATE	122.1	122.9	123.2	122.3	122.9	123.5	123.7	125.1	124.5	125.1	125.8	125.3	125.5
SERVICES	129.3	130.3	129.9	130.4	131.4	131.1	132.0	133.1	132.3	133.3	133.9	133.6	133.6

[1] See footnote 1, table B-2.

p=preliminary.

Table B-6. Indexes of diffusion: Percent of industries in which employment[1] increased

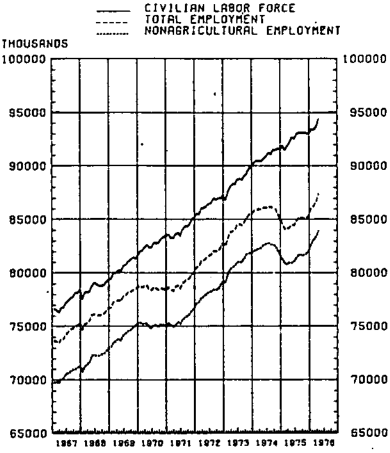
Year and month	Over 1-month span	Over 3-month span	Over 6-month span	Over 12-month span
1973				
January	76.7	84.0	81.7	81.1
February	75.0	83.7	79.4	80.8
March	73.8	76.2	79.4	82.6
April	62.5	71.5	74.7	81.4
May	59.9	70.3	72.1	79.7
June	68.0	63.1	66.6	78.5
July	55.8	66.9	72.1	75.6
August	63.1	64.8	72.7	73.5
September	61.6	74.7	73.0	69.2
October	72.7	75.9	75.6	66.0
November	75.0	76.5	70.3	66.6
December	66.6	70.1	66.0	64.2
1974				
January	59.3	62.8	60.8	63.4
February	52.6	53.8	55.2	59.6
March	46.5	48.0	49.7	55.2
April	47.1	48.3	48.5	50.3
May	55.2	51.7	49.7	40.1
June	53.2	52.6	45.6	28.2
July	52.3	45.1	37.2	27.0
August	45.9	39.2	31.1	22.4
September	36.0	40.4	23.3	20.9
October	37.8	28.8	17.7	18.6
November	20.1	21.5	17.2	16.6
December	18.6	13.4	13.1	14.0
1975				
January	18.6	12.5	13.4	16.6
February	16.6	13.7	13.1	17.4
March	25.0	19.2	16.3	17.4
April	40.4	35.8	27.9	20.9
May	53.8	40.4	40.1	25.9
June	40.4	48.5	60.8	40.4
July	55.2	55.8	67.4	50.3
August	73.5	80.2	67.4	62.5
September	81.7	81.4	76.5	69.8p
October	64.8	70.3	79.4	75.9p
November	54.7	68.9	82.0	
December	66.6	72.7	74.1p	
1976				
January	75.0	78.8	80.2p	
February	70.1	81.1p		
March	64.8p	74.1p		
April	70.9p			
May				
June				
July				
August				
September				
October				
November				
December				

[1] Number of employees, seasonally adjusted, on payrolls of 172 private nonagricultural industries.

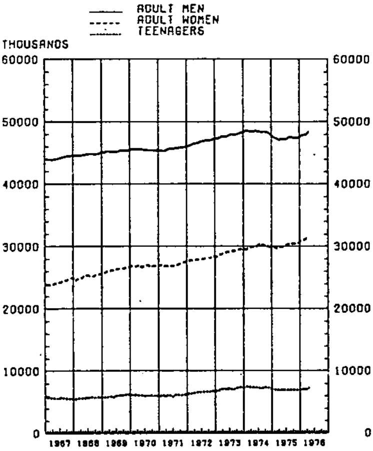
p = preliminary.

LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

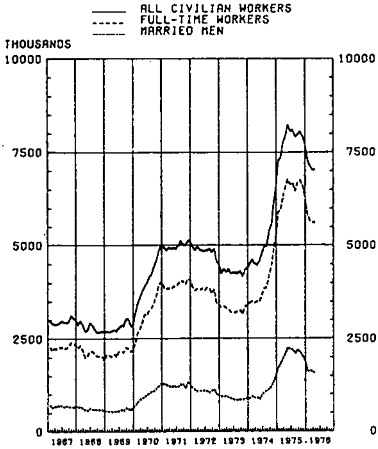
1. LABOR FORCE AND EMPLOYMENT



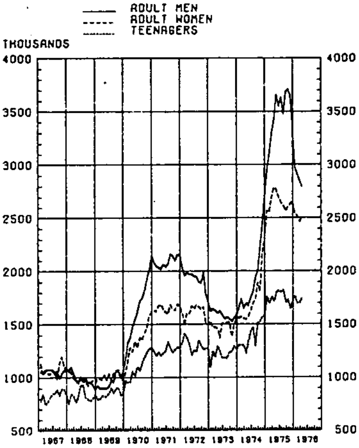
2. TOTAL EMPLOYMENT



3. UNEMPLOYMENT

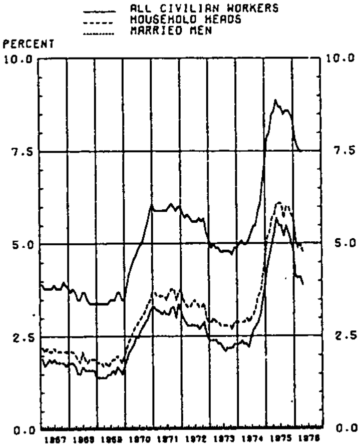


4. UNEMPLOYMENT

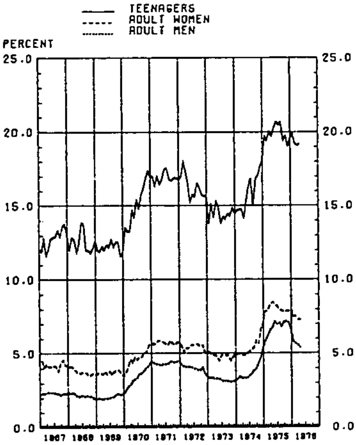


UNEMPLOYMENT RATES
HOUSEHOLD DATA - SEASONALLY ADJUSTED

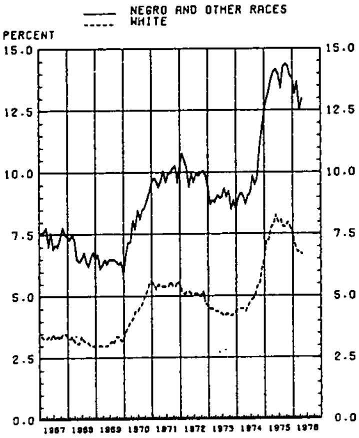
5. UNEMPLOYMENT RATES



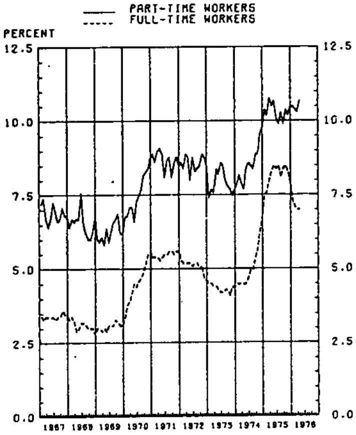
6. UNEMPLOYMENT RATES



7. UNEMPLOYMENT RATES

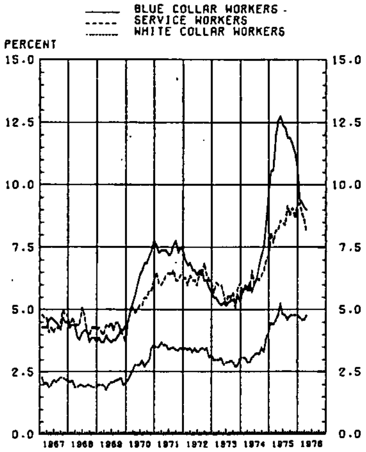


8. UNEMPLOYMENT RATES

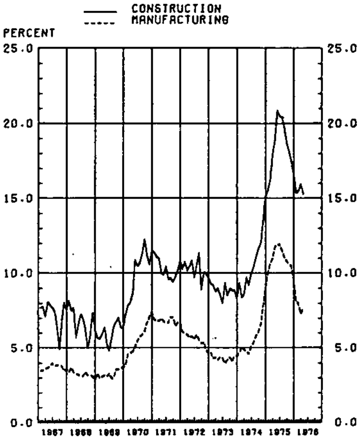


UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

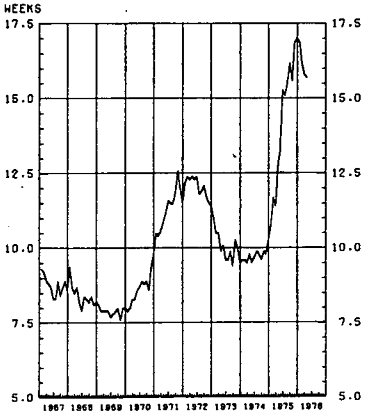
9. UNEMPLOYMENT RATES



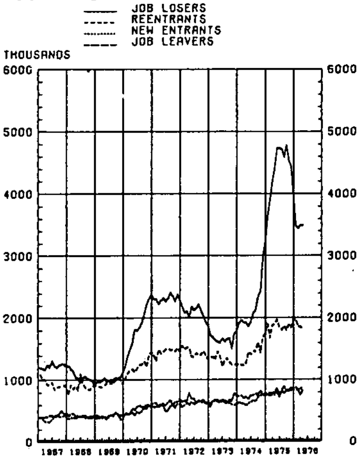
10. UNEMPLOYMENT RATES



11. AVERAGE DURATION OF UNEMPLOYMENT

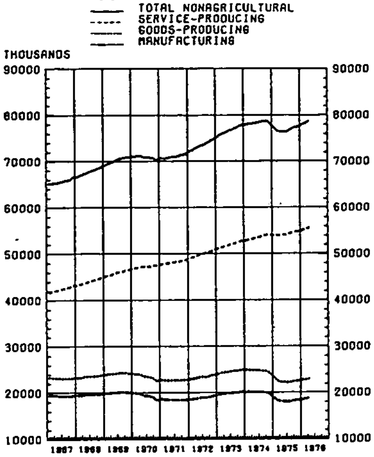


12. UNEMPLOYMENT BY REASON

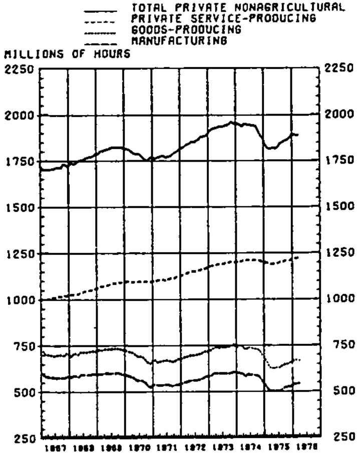


NONAGRICULTURAL EMPLOYMENT AND HOURS ESTABLISHMENT DATA - SEASONALLY ADJUSTED

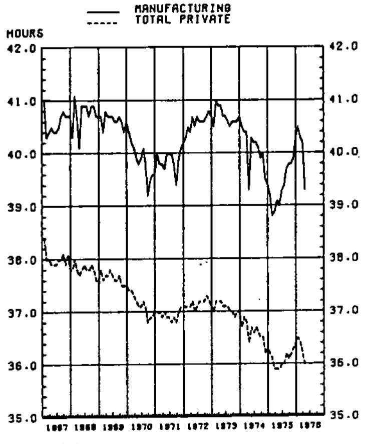
13. EMPLOYMENT



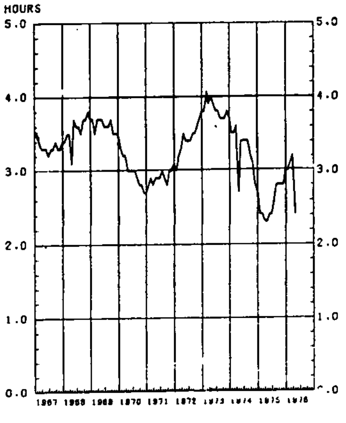
14. HOURS



15. AVERAGE WEEKLY HOURS



16. AVERAGE WEEKLY OVERTIME HOURS IN MANUFACTURING



NOTE: Charts 14 and 15 relate to production or nonsupervisory workers; chart 16 relates to production workers. Data for the 2 most recent months are preliminary in charts 13-16.

Mr. SHISKIN. For those who wish, we can make a more detailed paper available on their request. I would like next to introduce to our new chairman two gentlemen who have been accompanying me regularly. To my right is John Layng, who is our expert on prices, and to my left is Robert Stein, who is our expert on employment. They will help me answer any questions which you want to put to us.

Representative BOLLING. We welcome your presence. Senator Proxmire.

Senator PROXMIRE. The most obvious and conspicuous element of this report, Mr. Shiskin, is the very sharp improvement in employment, an increase you say that is one of the biggest we have had in a long time, a 700,000 increase in the number of jobs.

Mr. SHISKIN. As you know from our many discussions, Senator Proxmire, these series are quite erratic and we also had a big increase between December and January; in fact, it was slightly above the 700,000 we had in April. But these increases are among the largest in the record of this series.

Senator PROXMIRE. I noticed that if we take the not seasonally adjusted data—the raw data that you do not seasonally adjust—there is a drop in unemployment from 7.5 million in March to 6.89 million in April, according to household data; is that correct? This is in table A–1, right after page 5.

Mr. SHISKIN. That is correct.

Senator PROXMIRE. Now that seems to be a very substantial seasonal adjustment. I was not aware of that. I think we are most conscious of the adjustment that you have to make in June and in December. I did not realize there was that big an adjustment in April. What are the reasons for that?

Mr. SHISKIN. Well, I realize this is a tautological statement but the reasons are that, on the average, unemployment drops almost 10 percent between March and April. If you look at the back of our Table 1 on Seasonal Adjustments—this is a table we have looked at many times. If you look at the back of that, you will see, in note 2, the implicit seasonal factors for the total unemployment rate.

Now, the implicit rate for the total is 108.1 for March and 99.4 for April. This means that a seasonal reduction of almost 10 percent is anticipated between the 2 months. In numbers of persons unemployed, that would call for a drop of, let us say, 600,000 and that is about what we got. So that is a normal seasonal development.

Senator PROXMIRE. Then we see this remarkable increase, really remarkable increase, in the participation rate. And that is the number of people who are in the labor force in relation to the total noninstitutional population. And that goes up to 62.1 from 61.7, a very sharp jump in 1 month.

Is that the highest level? It is the highest level on this chart. Is that the highest level we have had in the past several years; and can you tell us when we last had a participation rate that high, if ever?

Mr. STEIN. An all time high figure is 62.1 percent.

Senator PROXMIRE. This is an all time high figure. We never had such a high proportion of the people in this country since we have kept statistics who were in the labor force.

Mr. STEIN. That is correct.

Senator PROXMIRE. So that we have a huge increase this past month in the number of people who are entering the labor force. And we now have the highest percentage we have ever had in the labor force. And yet we have a drop in unemployment from 7.5 to 6.89 million. Is that correct?

Mr. SHISKIN. Yes, it is. But, of course, the figures you are citing on the participation rate are seasonally adjusted but the figures on unemployment are not. But behind this of course is the fact that the country has been enjoying a vigorous economic expansion. Now it shows up unevenly in different sectors of the economy. It shows up unevenly in different months. But it is there.

And what we have seen recently is a very substantial increase in the real GNP, 7.5 percent; we now see a very vigorous increase in employment. We see a very large increase in the labor force.

The unemployment figure still remains very high. It is intolerably high. It is too high by historical standards. But it reflects—if I may just finish this thought—it reflects, I think, the very large growth in the labor force. People of all kinds who have never been in the labor force before are seeking jobs. They have come in mostly over a period of months; if you look at a period of months, mostly young women with children are entering the labor force. They are getting jobs, but they are not getting enough jobs to absorb all of them. They are not getting enough jobs so that our employment rate goes down substantially. But at least we are holding steady.

As I like to say, and I think it is a good analogy in this situation, we have to run just to stand still. And that is what we seem to be doing.

Senator PROXMIRE. Now, I notice that the establishment data, that is the data that you get from the employers, from the factories and shops and so forth, and that some regard as perhaps more accurate than the household data, do you regard it as such?

Mr. SHISKIN. I think that is true over the full range of years which those two series cover. I think at the present time we are having some problems with the nonag payroll series that might not allow me to characterize it as the more accurate of the two at the present time.

Senator PROXMIRE. Now, I notice that in that category you have an even sharper increase in employment; on table B–1 you show an increase from 77.8 million in March to 78.6 million in April, an increase of 800,000; is that correct?

I am looking at the first line of the total establishment data, March 1976 to April 1976. These are preliminary figures.

Mr. SHISKIN. You are looking at unadjusted figures.

Senator PROXMIRE. That is correct.

Mr. SHISKIN. Right.

Senator PROXMIRE. The unadjusted would of course reflect the number actually who were hired initially; 800,000 people were hired; is that correct?

Mr. SHISKIN. Yes, sir.

Senator PROXMIRE. Well, now, of course, what bothers many people in this country and properly so, that even though we have this enormous increase in participation rate and a huge increase in employment, nevertheless we still have 7.5 percent of those who want want to work out of work. And it is the same as last month, no improvement.

Mr. SHISKIN. I would agree.

Senator PROXMIRE. Does this indicate that the recovery which we have been enjoying may be flattening out, that we are not going to enjoy that kind of rapid drop in unemployment that we had?

Mr. SHISKIN. I do not think so. I do not think that is what these figures indicate.

If anything, the rise in employment of 700,000 in 1 month insofar as we could take 1 month's figures seriously, and as you know, I do not like to do that, indicate that the recovery is accelerating. But what it indicates is that in another sector, that is in a special sector and a very important one, namely the labor markets, we are having a huge inflow of people looking for jobs, much more than usual. And that poses a great challenge to the country.

Senator PROXMIRE. Well then you also have on the next page a situation which you explain to some extent in your statement. And I welcome that explanation because of the Easter-Passover element. But you do have a drop in the number of hours worked and usually that has been characteristic of moving, of a slowdown in the economy, at least not an improvement in production and growth.

And we drop from—it has been a fairly steady drop—in January, 36.5 hours were the average under B–2, establishment data. B–2; and in February, 36.4; in March, 36.2; and April, 36.0, indicating a continuous, steady drop in the number of hours worked. How do you explain that?

Mr. SHISKIN. Well, as I have said many times, the cyclically sensitive component of that group of industries is manufacturing. And if you look at that line—I would ask you to look at the fourth and fifth lines down, and you do see a slowly declining level. But I do not think those changes are significant.

Senator PROXMIRE. Well, in manufacturing, it is very sharp. It dropped fom 40.2 hours to 39.3.

Mr. SHISKIN. If you look at overtime hours, you see starting in December 1975, it is 3.0 in 1975, and then in 1976, 3.0, 3.1, 3.2, and it suddenly became 2.4 in April.

Now this is what we think took place, and we base this on our household survey. We have data from that survey which show that a very large number of people took vacations during the survey week. Now, most of the people who were on vacation got paid vacations, so the number of total employed is not affected.

But they also, many of them, work overtime normally, and they did not work overtime that week because they were not there or because employers didn't schedule as much. So we had a very large drop in overtime hours, from 3.1 to 2.4 and that is what has reduced the hours in that last column. And it seems almost certain that that will bounce back next month.

Senator PROXMIRE. Then you go to your next page, B–3; and you see that whereas, as compared to 1 year ago, the average weekly earnings were $159 a week; they have gone up rather sharply. Now they are around $170. However there has been no improvement for the past 3 months. In fact there has been a decline. In view of the fact that the prices continued to rise, although more modestly, this indicates a significant reduction in real weekly earnings for people in this country over the past 3 months.

Now, would that not indicate that the recovery may be slowing down?

Mr. SHISKIN. Well, we have an index of average hourly earnings adjusted for overtime in manufacturing and interindustry shifts. And as I recall, that showed very modest increases in average hourly earnings, 0.3. So I would say there has been some improvement, but it has been very modest. And that is rather surprising to many, in view of what we are reading in the newspapers about some of the large collective bargaining settlements we have been getting. But it also shows that on the average, there has been some improvement in——

Senator PROXMIRE. Well those large settlements, though, in the first place, those settlements were below what they were a year ago. As I understand, a year ago, they were over 10 percent. Now they are under 8 percent, No. 1; and No. 2, they are confined to a small proportion of the work force. I understand less than 5 percent have negotiated any increase or are expected to this year.

The rest would not be, either not in collective bargaining, or would not be major settlements.

Mr. SHISKIN. Right. But now to get to your main question about the slowdown in the economy, I would say first of all I do not see any evidence of a slowdown, any significant evidence. Now, I see problems in many places. It is clear that the stickiness, the sluggishness of the unemployment rate in the last 3 months is a problem.

We have all been expecting, those of us who have studied cyclical developments in the past, prices to rise because they always do after the economy has been expanding for a while, and they have not for a long time in this expansion. And perhaps we are beginning to see the beginning of it. And that is one of the things about recoveries that is unfavorable. And we may see more price rises.

But generally, despite these unfavorable developments here and there, and they are important, I do not want to downplay them—I see no evidence that the recovery is slowing down. However after a year of recovery, and we have now had a year of it, I think we should expect it to slow down a little before long.

Usually, though not always, the most vigorous stages of recovery are in the early months; and we have now passed a year of full recovery. So I would expect the recovery to slow down somewhat. I do not expect to see real GNP annual growth rates of 7.5 percent for many more quarters. I think that is probably an unsustainable rate. So I would expect that in the future the rate of growth would be smaller.

Senator PROXMIRE. Well now let us consider the other element of the unemployment situation. You say that growth is unlikely to be quite as vigorous in the future as the past. It will be steady and substantial, but it will not be as big as it has been.

If we continue to get this increased participation, people coming into the work force, is it not likely that unemployment is likely to remain as high as it is, or close to it?

Mr. SHISKIN. If participation continues to increase, yes. Now historically the rate of unemployment has declined as we have gone to later stages of expansion; and that is probably tied in to the participation rate.

Senator PROXMIRE. One other point before I yield back to Chairman Bolling. And I will come back a little later perhaps.

On your last table, table B–6, you spoke about diffusion and that is the proportion of industries in which employment increased, and that seems to me to be another remarkable showing.

Mr. SHISKIN. Remarkable what, sir?

Senator PROXMIRE. Remarkable in the sense that you have had a very large proportion of 75 or 76 percent that are growing in employment. In fact, it is so substantial that I am surprised we have not had an even greater increase in employment in the country.

You had 75 percent of industries increasing employment in January, 70 percent in February, 64.8 in March, and 70.8 percent this month. And I just wonder how long that can continue. How would you square that with the fact that hours are down?

Mr. SHISKIN. I think the hours were down for an exceptional reason, that is, a holiday, and they do not affect the employment figures, since most of the regular hours were paid for, and only the overtime hours were not. It is clear that employers are getting more business and they expect to keep getting more business, and they are hiring more people, and our employment record is very, very good. It is better in terms of the business cycle record than industrial production or retail sales. It is a very good record.

It is really a remarkable situation, that in the last year the economy has been able to put back to work so many people and is now operating on an employment level which is 1.1 million persons higher than during the peak in 1974, 1.1 million higher. It is a remarkable performance.

However, I do not want to downplay the unemployment, and I never do, as you know. The expansion still has not been good enough to reduce unemployment to a more tolerable level.

Representative BOLLING. Mr. Commissioner, you mentioned that the price rises had come uncharacteristically slow in the pattern. I wonder what explanation, if any, you have for that? Have you got an idea as to why that might be?

Mr. SHISKIN. First, let me explain that a little bit. Normally, when a business cycle turns around, wholesale prices begin to increase soon after that. Consumer prices begin to increase 6 or 9 months later.

Now, this time, at least up to April, we have not had that pattern. Perhaps this is relevant to your question. We had a very big inflation from 1972 to 1974. It seems to me the explanation given by most economists is correct. That inflation was caused primarily by special factors. There was a great food shortage in 1974. There was an oil crisis in 1973–74. We had two devaluations of the dollar. We had a very strong economic expansion in this country, in 1972 and 1973, and we had big expansions throughout western Europe and in Japan all at the same time.

So, all these factors, the devaluation, the concurrent expansions everywhere, the bad harvests, the energy shortages, all combined to produce a very strong inflation.

There were adjustments to that inflation in the last 2 years, and I think the adjustment process kept reducing the rate and overcame the normal, cyclical factors which were pushing the rate up at the beginning of the cycle. But perhaps—and it is not clear yet, because most of the price increases thus far have been in foods, particularly wholesale price increases have been primarily in foods—but perhaps the time has now come when the cyclical forces will overcome these other adjustment forces, and we are going to see what we have always seen in the past; namely, rising prices—more rapidly rising prices during the period of economic expansion immediately ahead than during the previous year or so.

Representative BOLLING. In that connection, it seems to me I have read a good deal about the possibility that there has been a greater rigidity in the maintenance of prices, just as there has been apparently a greater inflexibility in wages in the cycle down. I do not know whether that is factual. As you know, I have been out of touch with this particular area for some time, although for quite a long time, I was very much involved in it.

But assuming that it is accurate, would that kind of rigidity possibly have any significant effect on the cycle later on when the price rises started going back up; the implication being that the prices have been held higher than they would normally be held, and therefore, they would start going up less quickly than they had normally done in the cycle? Would that make any sense?

Mr. SHISKIN. Well, it seems reasonable to me.

Representative BOLLING. In the employment release, the BLS indicates that in April, adult men accounted for the largest increase in employment, while in previous months, it had been primarily adult women which had shown the greatest increase in employment. A good deal has been made in recent months and years of the enormous increase in the involvement of women in the labor force. In this connection, have you or your analysts at BLS examined this rather unusual pattern of recovery? Is it attributable to the different occupational backgrounds of men and women, or does there seem to be some other reason?

Mr. SHISKIN. I would like to ask Mr. Stein to comment on that.

Mr. STEIN. Congressman, I wonder if I could just get a clarification of your question, as to whether you are referring to this past month or the long term?

Representative BOLLING. In April, is really what I am talking about. I have interpolated a couple of thoughts in there that indicate that this occurs in the background of a long period of great increase in the participation of women. If you wish, I will reread the question to make very sure that we get it precise.

In the employment release, BLS indicates that in April, adult men accounted for the largest increase in employment, while in previous months, it had been primarily adult women which had shown the greatest increase in employment. Have you or your analysts at BLS examined this rather unusual pattern of recovery? Is it attributable to the different occupational backgrounds of men and women, or does there seem to be some other reason? Why did it happen?

Mr. STEIN. I think we see a fairly strong pick-up in agricultural employment this particular month, construction employment beginning to pickup, further gains in manufacturing. But probably over the long run, we would expect more the other kind of pattern to reassert itself.

Representative BOLLING. In other words, this is the month in which—and I guess this is the reason for seasonal adjustment—in which certain kinds of work in which men predominate begin to speed up?

Mr. STEIN. True; I think our gains have been even more than seasonally expected in some of those sectors.

Mr. SHISKIN. I wonder if the key to the answer to your question, your issue, is that what we have seen in the last month—and in recent months as well—a very sharp increase in service industry employment. Now, for example, the increase in manufacturing, as I remember it, in April, was about 100,000; but the increase in the service industry employment was over 200,000.

Now, what we can see in the figures is that the employment patterns for women who have come in are pretty much the same as their older sisters and their mothers; that is, they are in about the same industries. You know, a women becomes a welder—well, I guess we have a lot of women welders left over from World War II——

[General laughter.]

Mr. SHISKIN. But a woman becomes a coal miner and her picture gets into the paper, but by-and-large, women are now going into the professions that they have traditionally been in. This is largely into the service industries, into retail trade and wholesale trade. Now, those industries are growing very rapidly, so there are opportunities for women and they are available, so they are going into the job market. They are getting jobs, and so we are getting a higher participation rate and also a higher employment-population ratio.

The unemployment rate is higher, but their employment-population ratio has been rising as well. So we are getting a lot more women working and looking for work.

Representative BOLLING. Fine, thank you.

Last year, there was a sharp drop in the unemployment rate in May or June because of the difficulty in seasonally adjusting teenage unemployment in periods of generally high unemployment rates. At the beginning of this year, BLS announced that it was changing the seasonal adjustment process for teenagers. As a result of this change, what impact do you expect teenage summer entrants into the labor force to have in May, June, and July? Will the impact be relatively neutral, or could there be another fluke drop this summer?

Mr. SHISKIN. You have quite correctly pointed out that we did have an abnormally large drop in the seasonally adjusted unemployment rate last June. We, ourselves, knew it was coming, and we did not think it was right. We warned various groups, including this committee, at least 1 month in advance, so that no one was very surprised when it came. In fact, what I thought is that most people were surprised that we expected it, or that we anticipated it. But it did come——

Representative BOLLING. You did very well.

Mr. SHISKIN. Thank you. We think we have improved the seasonal adjustment method. We have improved it in such a way that we should not get an aberrant movement in June. We think we know just why that big drop occurred, and the reason was that our method assumed a very large proportionate increase in the number of teenagers that would enter the job markets, when we could see by looking at the number of teenagers in school that that could not happen.

So, we knew we were going to get a poor statistic.

Now, this time we have changed our method to avoid that, and we think it will work, but until we see the June figures, we will not be sure. But I cannot believe it will not work better than last year.

Representative BOLLING. Thank you.

Yesterday, it was announced that April wholesale prices rose 0.8 percent, the highest monthly rate since October. Most of this increase was due to increased food and farm prices which have been increasing at a slower rate than other commodity prices prior to April. Mr. Greenspan, of the Council of Economic Advisers, has been quoted as saying that: "Since data were collected for the April Wholesale Price Index, food prices have stabilized." That is in quotations. Do you believe that Mr. Greenspan's analysis is correct, and that food prices have stabilized?

Mr. SHISKIN. Well, I have no information on that. We have not tabulated all the figures on wholesale prices for foods yet. We will not do it for some weeks.

What Mr. Greenspan does is to study various trade reports and he makes a forecast very early of what both the WPI and the CPI are likely to be, and I occasionally call him up in advance and ask him what his forecast is, to see how good it is, and it is usually quite good.

So, I have no direct way of knowing whether he is right or wrong, but I think he has got good methods of coming within a reasonable range of the correct figure.

Representative BOLLING. Thank you.

News stories about the increase in wholesale farm prices announced yesterday suggest that the consumer will feel the increase in food prices quickly, because there is little lag between a change in most wholesale goods prices and their tags in the grocery shops. I noted in the WPI release that the prices of farm products, processed foods, and feeds fell more than 10 percent at an annual rate, with the 6 months ending in March.

Even when the April experience is added in, wholesale farm and feed prices fell more than 7 percent in the previous 6 months. How well has the sharp decline in farm prices been reflected at the supermarket? Since farm prices are still below the level that prevailed in May 1975, what justification is there for a sharp increase in consumer food prices because of a 1-month increase in farm prices, if that is what has occurred?

Mr. SHISKIN. Let me just make one introductory comment, and then I would like to ask John Layng to supplement it.

While it is true that changes in wholesale prices are followed by similar changes in retail prices, it is also true that the magnitude of the variations is much greater in wholesale prices than in retail prices. That is, if you look at the chart showing price changes for the wholesale sector and a similar chart for price changes in the retail sector, you will see that the magnitude of variations is much smaller for the retail sector.

So, if you get a very large rise, or a group of rises in wholesale prices, you are likely to get a rise, though not nearly so large, in retail prices.

Now, similarly, if you get a decline, a very large decline in wholesale prices, you are likely to get a decline, later, in retail prices, but not nearly so large.

Having said that, I would like to know if perhaps John Layng can supplement your comments more specifically.

Mr. LAYNG. There was one question I had about a statement you made about the farm product prices being lower in April than they were in May 1975. It seems to me that they are, in fact, up quite a bit. The combined is down, but the farm product figure for farm products and processed foods and feeds is up. When you look at it, for example, on a year-to-year basis, we find that farm products are up 8.6 percent from April 1975 to April 1976, whereas processed food and feed prices were down 0.8 percent.

Consumer food prices, which are finished food prices going into retail stores is a little better to look at if you are trying to trace the relationships through from the farm level to finished food at the retail level. The processed foods and feeds index includes some things which do not end up in retail food stores; for example, the feeds part of it, and some of the animal fibers end up in the clothing sector as opposed to the food sector.

If you look at it on that basis, we see that wholesale food prices, finished food, ready to go into retail stores, has increased 4.1 percent over the last year, compared to an 8.6-percent increase in farm prices. The CPI was up about the same as finished food prices, 3.7 percent.

Another point that I would like to make, similar to the Commissioner's point, but looking at the consumer food series as opposed to processed foods and feeds, is that during the 5 months from October to March, the consumer food component of the WPI, on a seasonally adjusted basis, declined 6.1 percent. The Consumer Price Index for food has only declined 3.1 percent through March. The changes are, in fact, different. If you look at the cycle, you will find the amplitudes are much smaller at the retail than they are at the wholesale or farm level.

Representative BOLLING. Thank you.

One more question, Mr. Commissioner. While the industrial commodities component of the WPI rose only 0.3 in April, a number of basic materials rose much more sharply. Nonferrous metals, mainly copper, rose 3.6 percent; iron and steel rose 0.9; glass and concrete products are up more than 2 percent; crude rubber rose 1.2 percent, and so forth.

I am concerned by these seemingly very sharp increases in materials which go into the production of heavy consumer goods, and which are essential to the construction industry. In a recent article, however, the Wall Street Journal pointed out that:

> Most analysts figure current industrial price increases are essentially the result of an effort by producers to recover higher costs they have already incurred or expect to be hit with fairly soon. Thus, according to this reasoning, the higher prices represent a continuation of recent inflation, rather than the kick-off of a new round of sharply higher prices.

Do you see the April increases in many of these commodities as a precursor of renewed inflationary pressures, or do you agree with the Journal's analysis?

Mr. SHISKIN. Well, let me make two observations on that question. The first is that one should bear in mind that our index—and here we are, you know, in the first week of May, reporting April data—our wholesale price index refers to the middle of the month, on the average. The prices that we reported for the index were mid-month prices, and we did not include in them some of the increases, as in aluminum and copper, which were made later in the month.

Furthermore, the steel prices were made at the very end of the month, and some of them will not be reported in our index until July. So, you have to watch the timing very carefully.

The other comment I have to make is one I have already made, and I will keep it short; that during a period of vigorous economic expansion, it is common for prices to increase; and it would be a very unusual economic expansion if it did not include as a part of it, increasing prices.

However, the normal, cyclical expansion in prices to be expected is nothing like what we had in 1972–74; we should expect much less, because in 1972–74 the price market was dominated by very special factors, most of which have gone away. So, while I would expect the normal, cyclical pattern of price rises to resume, I would not expect anything like the price increases we had in 1972–74.

Representative BOLLING. Thank you.

Senator, do you have some more questions?

Senator PROXMIRE. Yes, I have a few more, Mr. Chairman.

Again, I want to get back, first, very briefly, to the remarkable increase in employment, and I think it is remarkable. It is so sharp for a relatively brief period of time. As I read your statistics, it appears that there has been an increase in employment, number employed, between April 1975 and April 1976, of 3 million. The not seasonally adjusted and seasonally adjusted have about the same, of course, because they are the same months we are comparing, an increase of more than 3 million.

My question is, is that not unprecedented, to have that much of an increase in 1 year? If not, is it not rare that we have had that much of an increase in a year?

Mr. SHISKIN. While very rare, it is not unprecedented. In terms of percentage increase, I should note that it is probably a fairly common experience in a vigorous cyclical expansion.

Senator PROXMIRE. And in the last 3 months, there has been an increase of over a million; in other words, between February of 1976 and April of 1976, you go, seasonally adjusted, from 86.3 to 87.4, an increase of over a million in just 2 months, which again is an indication of substantial and fairly rapid growth in that.

Mr. SHISKIN. Yes, but I would like to enter my usual caution there, Senator Proxmire, that the very huge increase between March and April, the April increase, should be taken cautiously for a few months. It is a 1-month figure——

Senator PROXMIRE. I understand that. Now, these are seasonally adjusted figures, though.

Mr. SHISKIN. But still, it is 1 month. Now, on the other hand, we all were kind of concerned, I think, that between January and February, the increase was only 125,000. These average out over a period of months, and if you look at the figures for recent months—125,373, and

707—these average out to about 400,000 per month. The average over the past year turned out to be about one-quarter of a million a month increase in employment, and that is a good solid figure and a good rate of expansion.

I think that is a better perspective to view the employment change than to look at the 700,000 in 1 month. We have been having, on the average, an increase in employment of about 250,000 a month.

Senator PROXMIRE. Well, I started out by comparing the increase over a year.

Mr. SHISKIN. Right, you did; and that is about what it comes to, I think, about one-quarter of a million a month.

Senator PROXMIRE. The chairman asked you a question about the wholesale price increase, and I am concerned about that too. I think you indicated that the increase in food prices which was principally responsible for the very large increase, is a kind of volatile, erratic increase that we can expect to get from time to time.

Mr. SHISKIN. Right.

Senator PROXMIRE. Now, there is a more troublesome element here. There is a substantial increase in various basic materials that go into consumer goods, and translate themselves into higher prices. Iron and steel rose almost 1 full percent; glass and concrete by more than 2 percent; crude rubber by 1.2 percent; and copper went up almost 4 percent, 3.6. What does that indicate as to the prospects for inflation in the coming months?

Have those not generally been forerunners of increased prices?

Mr. SHISKIN. They have, and they are unwelcome signs.

Senator PROXMIRE. Mr. Commissioner, I am very anxious, still, to keep pressing on job vacancy statistics. I do think we have an unbalanced picture now. We simply have the unemployment, which is a vital statistic. We do not have the number of jobs seeking people. As I understand it, the only statistics kept on that, since the Labor Department discontinued its job vacancy statistics more than 2 years ago, are the Conference Board's help wanted index from the newspapers. That indicates that there are at least 1 million jobs going begging for lack of workers.

Last week, I wrote to the Secretary of Labor, asking that he explore the possibility of developing a comprehensive series as follows: No. 1, would it be feasible for the Bureau of Labor Statistics to sample job vacancies on a monthly basis, or is a quarterly sample more practical?

Two, would you be able to develop a series that goes far beyond your earlier series, which covered only manufacturing?

Three, can you give us an approximate cost for developing such a series and then maintaining it on a monthly basis?

Mr. SHISKIN. We will be very glad to provide you with an answer to those questions.

Let me amplify, if I may, the kinds of questions you are putting to the Secretary, I was, I think, primarily responsible for discontinuing the series that we had.

The reason I discontinued this is that we had very strong budget pressures on us. The funds were being provided by the then Manpower Administration. They did not think they were getting their money's worth from it, and I shared their view. The survey cost was $1 million, so we decided we had better cut it out.

What made it feasible to eliminate that survey was that the series was not producing the kind of information that was required, that was needed, and this is what, as I understand it, most analysts want from job vacancy statistics. They want a breakdown of job vacancies by geographic area, to begin with, and by occupation within areas; so that you know, for example, how many vacancies for welders, for machinists, and so forth, there are in each area of the country.

They would also like to have an array of the unemployment figures in the same way. They would like to have unemployment figures lined up by geographic region, and by occupation; so that you could match job vacancies for machinists in California, let's say, against the unemployed machinists in California.

Our survey was giving nothing like that, and I think that is the kind of information that is needed by persons concerned with job vacancy statistics.

Senator PROXMIRE. Well, that is needed, but that is not the only information that is needed. We also need, I think, for policymaking purposes, an understanding of how many jobs there are seeking people.

I was out in Chairman Bolling's home town about a month or so ago, and I was startled to be told—perhaps it is an exaggeration—that there were, they said, 42 columns, I think, in the Kansas City Star seeking help. The argument by these people was that there are many jobs available if people will take them. I am inclined to think they are always very exaggerated, and that there are many reasons why people cannot take these jobs. They are not qualified, or they are the kind of jobs that people who have to have an income or $9,000 or $10,000 to live could not live on, whatever.

I think it would be helpful to know what the facts are, rather than have these allegations, and this feeling on the part of literally millions of Americans that there are jobs available if people would take them. And I think it would help us in Congress to develop better programs providing for employment if we understood what the situation was overall, as well, as you say, in terms of matching people, of course, which would be a very fine thing to have, and we ought to have it.

Mr. SHISKIN. On an overall basis, I think the conference board series is a very good series. It provides a very good national figure, an index of job vacancies. I looked into that series carefully some years ago, when I was in charge of Business Conditions Digest at the Department of Commerce, and we included it in that publication.

It is at the more detailed level that strategic information is missing.

Let me make one other comment that you will be interested in, I think; namely, you will recall, perhaps, that at an earlier session, I have very briefly described to this committee a survey we will be making soon on intensity of job search. When will that be done, Bob? In May.

There we will be asking many questions of people who are looking for jobs, about what their expectations are, what salaries they would take, what kinds of jobs they would take, whether they have had offers, why they have rejected such offers as they have rejected. You were kind of concerned at the time, Senator Proxmire, about the publication date of those data, and I said they would not come out until next year. But we have just such a survey in the mill, and we will have some results about a year from now, and that will throw light on it.

But I do think that data on job vacancies would be a very valuable addition to the information we have on the labor market, it would be a very valuable addition, and if I may use your analogy, considering all the money we put into military intelligence, this pittance required to get job vacancy statistics would seem to be worthwhile. But, of course, I am prejudiced.

Senator PROXMIRE. No; you are not. I think you are absolutely right on that, particularly when you recognize that one of the most important actions that Congress is going to have to consider—and our Banking Committee is going to hold hearings on the week after next—the Humphrey-Hawkins bill. The action Congress will take depends on our understanding statistics of this kind.

Let me ask you, before I yield back my time to the chairman and to Senator Percy, about the Humphrey-Hawkins bill. I read that bill last night. It is a bill which places overwhelming reliance on unemployment statistics, on the unemployment statistics you gave us today, for example. Much of the bill is directed at reducing unemployment to a 3-percent level.

I am wondering how you might feel, as the Commissioner of Labor Statistics, the man who knows more about that figure and its validity, not only in terms of its accuracy—I am not talking about that—but in terms of its implication for economic policy? How would you feel about concentrating policy so emphatically on that unemployment figure? Do you have a reaction to that?

Mr. SHISKIN. Well, you know, economists and statisticians feel a little uneasy when so much emphasis is put on one figure. Also, there is a great deal of controversy about that figure, you know. There is a great deal of controversy about the question of who should be counted as unemployed. So, there is a lot of uncertainty about it, in that sense.

I happen to think it is a very good figure, considering what is required of it; that is, it is an estimate of the unemployed that is appropriate for our free labor market, and that is what we have. So, I think it is a pretty good figure for that purpose.

I would also add that we have had an indirect benefit for that survey recently, because of the use of the local area unemployment statistics for the allocation of manpower revenue sharing funds, and we now have major improvements underway in the unemployment survey. For example, at the present time, we are publishing data based on 47,000 households. By the end of this year, it will be 60,000 households, and a year later, it will be over 70,000. So that sample and the resulting figures are improving.

I guess the answer that I am giving you is that with the well-known limitations of the figures it is a good solid figure.

Senator PROXMIRE. What I am getting at is, your predecessor, Geoffrey Moore, argued that the participation rate should be taken into consideration. He argued that the amount of employment, in relationship to the number of adults in the society should be given weight. There has been some argument that—one leading Presidential candidate has indicated he could support this if the 3 percent figure were modified to include only adult unemployment, rather than including teenage unemployment.

So much, as I say, is being focused on this one statistic that I just wonder how——

Mr. SHISKIN. Well, it would be better, Senator Proxmire, since you are asking me, to have a more complex formula, from a technical point of view; but I recognize the constraints the political officials are working under and the great advantages of a simple figure.

Senator PROXMIRE. Let me ask you about the inflationary effect of a 3 percent unemployment and the provision in this bill that provides for paying those who could not find work elsewhere, hiring them in Government employment and paying them the higher of the minimum wage or the prevailing wage.

Arthur Burns indicated to our committee the other day that he thought that this would be enormously inflationary, it would mean that people who had tough, hard, undignified jobs, hustling pizzas, or whatever, would be inclined to take the Government jobs, and that you would have an automatic, very big increase in pay that would have to be translated into higher prices very quickly. Do you have any reaction to that?

Mr. SHISKIN. I do not want to enter into the fields of policy, as you know, but let me make a few comments on the implication of the 3 percent target.

I am assuming that we are using the official rate that we publish, and the objective is to get that rate down to 3 percent, and my comments are based on that assumption. Let us think about frictional unemployment, and ask ourselves the question, how much of the unemployment is frictional; how much of it is seasonal, how much of it is short-term, in the sense that people who lose their jobs usually require 4, 6, 8, or 10 weeks to get another job. The estimate for frictional unemployment is somewhere in the range of 2.5 to 3.5 percent. But let's for convenience say it is 3 percent.

So, the objective seems to be to reduce the unemployment rate so that the only kind of unemployment that is left is frictional unemployment. What that implies, it seems to me, is that you have as an objective the elimination of the business cycle.

We know that unemployment reaches a low level during the business cycle only for a few months. You know, we had rates like 4.7, 4.8 for a few months in 1973, and they have been higher before that, and after.

Eliminating the business cycle is going to require a heroic accomplishment. We have never been able to do it. Even though in the early 1960's an august and responsible group of economists met, and formally declared the business cycle obsolete, last year, we got clobbered by it. So, the target of 3 percent implies, really, eliminating the business cycle.

It also implies eliminating structural unemployment. What does that mean? Well, in a dynamic economy like ours, some industries die every year. They decline, and many workers in those industries are not flexible enough to find other jobs, or develop new skills. So, what this implies is that those people will somehow also be taken care of.

So, I would just say that a 3-percent target is a very heroic target.

Senator PROXMIRE. I am very anxious to support this, if I possibly can, and I am willing to take a considerable risk on the inflation aspect to do it, but I do hope we can amend this so that we can provide some safeguard against what would appear to be a real engine of inflation, if we are not very careful about it.

Very helpful observations. Thank you.

Representative BOLLING. Senator Percy.

Senator PERCY. Thank you, Mr. Chairman.

I think all the questions have probably been answered by now. I would like to have seen a drop in the unemployment rate, but I do not think we should lose sight of the fact that employment has certainly shown a very strong resurgence. I have had a good feeling about the business outlook this year, and I think this substantiates the fact that we have been able to absorb a tremendous number of workers into the economy. The economy continues to show strong signs of sustained recovery. If that will stimulate the housing field, as I know Senator Proxmire wants to and has been doing his best to do, and get the ripple effect of that in home furnishing and hard goods and hardware, I think we can keep this economy going.

It is not a great consolation to the millions of people unemployed that cannot find work today, that 87.4 million are employed, but on balance, I think our economic recovery in our country has been good, and I think we should be proud of that.

Mr. Chairman, with your permission, I would like to just ask Senator Proxmire about two people that I think ought to be unemployed, that don't deserve even unemployment compensation, that I think have done the greatest disservice to American industry and the free enterprise system that I have ever seen. I am just in a rage when I find that two former officers of Lockheed have just been named by their board of directors, as consultants to the company, at a price of $1.5 million over the next 10 years. I am speaking of the former chairman of the board, Dan Haughton and Carl Kotchian.

Both of these men have been before our Subcommittee on Multinational Corporations of the Foreign Relations Committee. I have never heard such testimony in my life by corporate officers. I just wondered if I could ask the Senator, since we are both leaving town today, whether the Banking Committee is going to look into this matter, and whether the banks are going to be urged to do something about what I think is one of the biggest ripoffs I have ever seen?

I think the American people, in the face of pressing budgets, in the face of all kinds of other problems, cannot tolerate that kind of money paid out to these two men who, I thought, when they resigned, should have been unemployed. They should have been fired forthwith, long ago. You and I fought the Lockheed loan originally. They should have been fired then. That is why I voted against it.

Maybe this is not an appropriate place to do it, but I do not know any better place to put on the public record why these two men are not unemployed. Why, having been fired by their board, or at least resigned, why they are being paid $1.5 million in unemployment compensation over a period of 10 years. They are to be paid as consultants to a company that ought to shun their advice. The company should stay away from any advice they would ever give, because of the trouble and the disgrace, the disrepute they have brought on the company.

If you would just like to privately do this——

Representative BOLLING. Before the Senator responds, I would like to say what this simple Member of the House feels. He does understand the difference between the House and the Senate, and in particular, at this moment, the difference between the germaneness rules of the two bodies.

[General laughter.]

Senator PERCY. We have no such rules that bind us.

Senator PROXMIRE. Mr. Chairman, you understand that the Senator was careful to make this germane by saying he was telling you about the unemployment of these two people.

Well, as the Senator knows full well——

Senator PERCY. If the Chairman would want to——

Representative BOLLING. No, no, I am just teasing. Go right ahead.

Senator PERCY. If the Chairman would want to dismiss our distinguished witnesses it would be all right with me.

Cannot something be done? If there is not going to be something done in the Banking Committee, I am going to find some way that the Multinationals Subcommittee, that started this whole thing, can do something, but I would rather it would be—it is more germane to the——

Representative BOLLING. Senator, I want you to understand that no Member of the House is going to try to impose germaneness on a joint committee.

Go right ahead, Senator Proxmire.

Senator PROXMIRE. As the Senator from Illinois knows, Mr. Haughton worked for the Lockheed Corp. for 38 years. Mr. Kotchian worked most of his adult life, I think, for the Lockheed Corp. Corporations are free to pay their former employees, especially their top employees, and pay them handsomely, which they did in this case.

I share the sentiments of the Senator from Illinois, very strongly. It is outrageous, but it is particularly outrageous because there is a Federal involvement here. The American taxpayer is involved. We do have a loan guarantee. That loan guarantee has not been handled toughly; it has been handled very softly.

The Secretary of the Treasury has provided four extensions of that loan guarantee. It was supposed to have been paid back in full by 1975. This is 1976, and they still owe $195 million. So they are into the Federal Government, inasmuch as the Federal Government guarantees these bank loans, and that is the reason that the interest rate has been low and the corporation has been accommodated.

I would think that the one action we can take is to press the Secretary of the Treasury, and perhaps we could now enact legislation, that would simply terminate that loan, certainly to see that no further extensions are granted.

The Secretary of the Treasury has made it clear he is not going to grant any extensions to New York City, and he is probably right in that respect, but he should also make it clear—which he has not, and he has refused to do so—that he will not make an extension for Lockheed.

I do not see what we can do to prohibit or prevent Lockheed from paying these former executives $1.5 million, but I do think we can see that this corporation which is on the Federal dole now ought to be cut off.

Senator PERCY. Well, I think that obviously we are going to look at the employees of that company and the responsibilities that we all have to them. We are not trying to add to our unemployment, and certainly, the bailout was an attempt to keep that company going, but the reason I favored their going into receivership was that they would have new men at that point, that that company would not close its doors, but they would have thrown out the rascals that got them into this mess, instead of keeping them on for 4 more years, until finally they were forced out by the revelations of the wrongdoing brought out by the Subcommittee on Multinationals.

I would think that the Congress of the United States, certainly I think that we have an obligation to communicate our strong feelings to the members of the Board, Arthur Burns and Secretary Simon, that this kind of action by that Board, if they continue to do this, is going to press us very hard in our patience.

I feel, I think, particularly strongly because I have reason to believe that I was personally deceived by the company just as recently as 2 weeks ago in their response to a subpena, and the verbal representations that they made to the Senator from Illinois. Having had that experience—I am not at liberty to discuss it in detail at this time, but at some time in the future, I might—having that feeling, I think the banks, who really are the ones who today, in a sense, own this company; they are the first ones; the U.S. Government has an obligation ahead of that. We are all, in a sense, owners of it. I think that Board must recognize they are going to be judged by every single action that they take. I am very grateful to be joined by the senior Senator from Wisconsin in this strong feeling that this kind of action is simply not going to sail. They are going to find that the company will have to be paying a very high price, if they continue to do things like this.

Representative BOLLING. I thank the Senators, and I thank you, Mr. Commissioner, for your participation, and you are a very excellent spectator, too.

Mr. SHISKIN. Thank you.

[Whereupon, at 12:12 p.m., the committee adjourned, subject to the call of the Chair.]

EMPLOYMENT-UNEMPLOYMENT

FRIDAY, JUNE 4, 1976

Congress of the United States,
Joint Economic Committee,
Washington, D.C.

The committee met, pursuant to notice, at 11:05 a.m., in room 1202, Dirksen Senate Office Building, Hon. Richard Bolling (vice chairman of the committee) presiding.

Present: Representatives Bolling and Brown of Ohio; and Senator Proxmire.

Also present: Lucy A. Falcone, Louis C. Krauthoff, L. Douglas Lee, and Courtenay M. Slater, professional staff members; Charles H. Bradford, senior minority economist; and M. Catherine Miller, minority economist.

Opening Statement of Vice Chairman Bolling

Representative Bolling. The committee will be in order. The Joint Economic Committee is meeting this morning to review the employment, unemployment, and price situation. The Commissioner of Labor Statistics is unable to be here this morning because of illness, and I'm happy to learn that he is making a good recovery now.

However, we are very pleased to welcome the Deputy Commissioner, Janet Norwood, and her colleagues. I am, of course, pleased to note that we have received some good news this morning with respect to both prices and employment.

Employment rose again in May, and the unemployment rate dropped a bit from 7.5 percent to 7.3 percent. At the same time, wholesale prices rose less in May than in the previous month, and the important industrial component of the wholesale price index, rose only one-tenth of 1 percent. During the past 3 months it has risen at an annual rate of less than 3 percent.

We all recognize that while this news indicates progress, it does not mean our economic problems have all been solved. Unemployment is still at distress levels, exceeding the peak levels of most past recessions. There are still well over 1 million persons who have been out of work for 6 months or longer; nearly 3½ million persons wanting to work full time can only find part-time work, and this particular situation has not been improving. The unemployment rate for female heads of families is still 8.6 percent. The unemployment rate in the construction industry is still over 14 percent.

So while we welcome this morning's good news, it is important that we do not forget these very great problems of human distress and economic waste which our very high unemployment level implies.

Ms. Norwood, would you please proceed with any statement which you wish to make, and then we will turn to some questions.

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STATEMENT OF HON. JANET L. NORWOOD, ACTING COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR, ACCOMPANIED BY W. JOHN LAYNG, ASSISTANT COMMISSIONER, OFFICE OF PRICES AND LIVING CONDITIONS; AND ROBERT STEIN, ASSISTANT COMMISSIONER, OFFICE OF CURRENT EMPLOYMENT ANALYSIS

Ms. NORWOOD. Thank you, Congressman.

I would like first to introduce my colleagues, John Layng, Assistant Commissioner for Prices and Living Conditions, on my right, and Robert Stein, Assistant Commissioner for Current Employment Analysis, on my left.

Mr. Chairman, I am here today to substitute for Commissioner Shiskin, who is ill. He regrets that he is unable to be here, not only because he usually enjoys these meetings with you, but also because he is unhappy to interrupt his unbroken string of 27 monthly appearances before this committee.

As you know, Mr. Shiskin is one of the most knowledgeable persons in the United States in the field of business cycle theory and analysis.

I believe that the Nation has been fortunate in having a man of his expertise to report on economic developments during a period in which the United States entered and passed through a severe recession and moved into a period of expansion.

This morning at 10 o'clock, the Bureau of Labor Statistics released data on the employment situation and on wholesale prices for the months of May. I should like now to discuss those data.

The employment situation continued to improve in May. The unemployment rate resumed its gradual decline while total and nonagricultural employment, as measured by the household survey, registered additional strong gains. Nonfarm payroll employment increased only slightly; gains were held down because of strike activity in rubber and other industries. (Workers on strike are counted as employed in the household survey—with a job but not at work—but not in the business survey which includes as employed only those actually on payrolls during the reporting period.) Average hours of work rebounded sharply from April levels, which were affected by the Easter and Passover observances, and in May were about the same as February–March levels, both in manufacturing and in the private nonfarm sector as a whole.

The unemployment rate was 7.3 percent in May as compared with 7.5 percent in the 2 previous months. Although still very high by historical standards, the rate was considerably below its recession peak of 8.9 percent in May 1975.

Adult women accounted for most of the reduction in unemployment over the month. The average duration of unemployment dropped 0.7 week in May to 15 weeks, the lowest level in a year. This decline was due largely to a reduction in the number of persons unemployed 27 weeks and longer.

The number working part time for economic reasons edged up over the month. This group has fluctuated within the relatively narrow range of 3.2 to 3.4 million since last summer.

As compared with a year ago, nearly all major labor force groups have lower rates of unemployment. In general, the decline has been relatively greater for adults than for youth, for men than for women, and for white than for black workers.

Both total and nonagricultural employment, as reported in the household survey, reached new all-time highs in May. The employment-population ratio moved up to 57.1 percent, its highest level in 19 months, but not yet back to its previous peak of 58.3 percent in January of 1974. Adult women led the gain in nonagricultural employment over the month, followed by teenagers, while adult men showed little change. This contrasted with the developments in April when men dominated employment growth.

The labor force changed only slightly in May and the participation rate remained at an all-time high. There have been some unusual patterns in recent months as the particpation rate for men has edged up while that for women has held steady, at a very high level of nearly 47 percent. The dominant long-term trends, however, show a persistent decline for men and a steady increase for women. There have been many temporary interruptions in these labor force trends, but they have subsequently resumed, apparently in response to strong underlying pressures.

Nonfarm payroll employment, which excludes self-employment, and workers on strike, moved up to 79 million. Gains were concentrated mainly in the service-producing industries, but employment in transportation equipment, which includes automobiles, continued to rise. About 60 percent of the 172 industries in the BLS diffusion index showed rising employment. In the cyclically sensitive manufacturing industries overtime hours reached 3.3, its highest level since August 1974.

The April–May rise in payroll employment was smaller than that recorded for total nonagricultural employment based on the household survey. However, after the two surveys have been adjusted for definitional differences, both series have expanded by about 2.7 million since June 1975, when payroll employment reached its recession low point.

I have attached to my statement updates of the five tables that Commissioner Shiskin has been regularly presenting each month. Table 1, which shows the unemployment rate by alternate seasonal adjustment methods, indicates that the change to an additive method for teenagers has made very little difference thus far this year. Both the official rate and the all-multiplicative procedure previously in use show virtually the same degree of improvement in unemployment since December 1975 and over the past 12 months. The new procedure is expected to yield a more accurate seasonal adjustment in June.

BLS also released the wholesale price index for May today. The WPI for all commodities rose 0.3 percent between April and May. This rise was smaller than the 0.8 percent increase posted last month, after the index had shown no change between the October–March period.

The prices for farm products had fallen rather steadily since last fall until they rose by 4.2 percent in April. In May they continued to rise, but by a much smaller amount, 0.6 percent. Prices for processed foods and feeds, which had also fallen during the fall and early winter, rose by 1.3 percent in May, their third consecutive monthly increase. Prices for raw and processed foods for consumer use increased 1 percent in May compared with a larger rise the previous month and declines in the 5 months previous to that.

Among industrial commodities, prices rose only 0.1 percent in May, about in line with the small increases in the previous 4 months. Crude nonfood materials prices were unchanged in May following 2 months of substantial increases. Intermediate materials, excluding food and feeds, declined 0.1 percent following increases in the previous 4 months.

Finished producer goods rose by 0.1 percent in May following increases that had averaged 0.5 percent per month since last October. Finally, prices for consumer finished goods, excluding food, the index providing the best linkage to the nonfood commodities component of the consumer price index, was unchanged in May.

My colleagues and I will now try to answer your questions.

[The press release, together with the tables referred to follow:]

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THE EMPLOYMENT SITUATION: MAY 1976

Unemployment resumed its downward course in May and employment continued to rise, it was reported today by the Bureau of Labor Statistics of the U. S. Department of Labor. The overall rate of unemployment was 7.3 percent, compared with 7.5 percent in the prior 2 months and the recession peak of 8.9 percent recorded a year earlier.

Total employment--as measured by the monthly survey of households--rose by 300,000 in May to another new high of 87.7 million. Since the March 1975 low, employment has advanced by 3.6 million.

Nonagricultural payroll employment--as measured by the monthly survey of establishments--was up only slightly from April but would have risen by about 150,000 were it not for increased strike activity during the survey period. At 79.0 million, payroll jobs were 2.7 million above the June 1975 low point.

Unemployment

The number of unemployed persons declined by 180,000 in May to 6.9 million (seasonally adjusted), following 2 months of little change. Total joblessness has now fallen by 1.4 million from the May 1975 recession high.

The overall rate of unemployment was 7.3 percent in May. The over-the-month reduction took place almost entirely among adult women, as their jobless rate fell 0.5 percentage point to 6.8 percent. This decline reflected in part, a continued improvement among female household heads, whose jobless rate moved down to 6.3 percent. Unemployment rates for adult males and virtually all other labor force groups showed little or no change but nearly all were below recession peaks reached during 1975. (See table A-2.)

The average (mean) duration of unemployment dropped 0.7 week in May to 15.0 weeks, the lowest level in a year. This decline stemmed largely from a reduction in the number of persons unemployed 27 weeks and longer. The number in this category now totals 1.2 million, also the lowest figure in a year and down by 550,000 from the November 1975 high point. (See table A-4.)

In contrast to the reduction in total joblessness, those working part time for economic reasons--sometimes referred to as the partially unemployed--rose by 130,000 in May to 3.4 million. (See table A-3.) However, the number of persons in this category has fluctuated in a comparatively narrow range of 3.2 to 3.4 million since last summer.

Table A. Highlights of the employment situation (seasonally adjusted data)

Selected categories	Quarterly averages					Monthly data		
	1975				1976	1976		
	I	II	III	IV	I	Mar.	Apr.	May
	(Thousands of persons)							
Civilian labor force	91,789	92,531	93,134	93,153	93,553	93,719	94,439	94,557
Total employment	84,313	84,443	85,138	85,241	86,402	86,692	87,399	87,697
Adult men	47,345	47,286	47,551	47,540	47,998	48,081	48,524	48,596
Adult women	29,912	30,129	30,537	30,665	31,234	31,398	31,523	31,664
Teenagers	7,056	7,029	7,050	7,036	7,169	7,213	7,352	7,437
Unemployment	7,476	8,087	7,997	7,912	7,151	7,027	7,040	6,860
	(Percent of labor force)							
Unemployment rates:								
All workers	8.1	8.7	8.6	8.5	7.6	7.5	7.5	7.3
Adult men	6.2	7.0	7.0	7.0	5.7	5.6	5.4	5.6
Adult women	8.0	8.4	7.9	7.9	7.4	7.3	7.3	6.8
Teenagers	19.8	20.2	20.2	19.5	19.4	19.1	19.2	18.5
White	7.5	8.0	7.9	7.8	6.9	6.8	6.7	6.6
Black and other	13.4	14.1	14.1	14.0	13.1	12.5	13.0	12.2
Household heads	5.4	6.0	5.9	5.9	5.0	5.0	4.8	4.8
Married men	4.7	5.5	5.4	5.1	4.1	4.1	3.9	4.0
Full-time workers	7.7	8.4	8.3	8.2	7.1	7.0	7.0	6.8
	(Weeks)							
Average duration of unemployment	11.3	13.8	15.6	16.5	16.3	15.8	15.7	15.0
	(Thousands of persons)							
Nonfarm payroll employment	76,863	76,438	77,004	77,642	78,392	78,630	78,942p	78,999p
Goods-producing industries	22,794	22,300	22,414	22,690	22,943	23,013	23,134p	23,101p
Service-producing industries	54,069	54,138	54,590	54,952	55,450	55,617	55,808p	55,898p
	(Hours of work)							
Average weekly hours:								
Total private nonfarm	36.1	35.9	36.1	36.3	36.4	36.2	36.0p	36.3p
Manufacturing	39.0	39.1	39.6	40.0	40.3	40.2	39.4p	40.3p
Manufacturing overtime	2.4	2.4	2.7	2.9	3.1	3.2	2.5p	3.3p
	(1967=100)							
Hourly Earnings Index, private nonfarm:								
In current dollars	167.7	170.7	174.3	177.8	180.6	181.4	182.3p	183.6p
In constant dollars	106.7	107.0	107.1	107.5	107.9	108.2	108.3p	N.A.

p= preliminary.

N.A.=not available.

Total Employment and Labor Force

Total employment increased by 300,000 in May to a high of 87.7 million, continuing the strong growth in evidence since early 1975. The May gain was greatest among women. Employment has now risen by 3.6 million from the March 1975 recession low, with 2.5 million of the gain occurring in the last 6 months.

The civilian labor force held about steady in May at 94.6 million, following a 720,000 increase in April. As a consequence, the overall participation rate held at the alltime high of 61.6 percent. Over the past year, the labor force has expanded by 1.8 million, with adult women making up 1.1 million of the gain, adult men 500,000, and teenagers 200,000. (See table A-1.)

Industry Payroll Employment

Total nonagricultural payroll employment edged up in May to 79.0 million (seasonally adjusted). The payroll job count has risen continuously since the June 1975 low, increasing by 2.7 million over the period. The job gain in May was restricted by a large increase in strike activity. (Persons on strike during the survey period are not on payrolls and thus are not counted as employed in the establishment survey.) Over-the-month employment gains occurred in 60 percent of the 172 industries comprising the BLS diffusion index of nonagricultural payroll employment. (See tables B-1 and B-6.)

Manufacturing employment was down slightly in May, as a decline in nondurable goods offset a slight advance in durables. The decrease in nondurables resulted almost entirely from a major strike that idled some 60,000 rubber workers. Throughout the other manufacturing industries, generally small movements tended to offset each other. However, employment in transportation equipment did continue its upsurge, with a job increase of 15,000. Contract construction employment was unchanged in May at 3.4 million.

In the service-producing sector, strong employment gains continued in services (70,000), and there was also some growth posted in State and local government (25,000). Increased strike activity was responsible for a decline in transportation and public utilities (15,000), while employment in finance, insurance, and real estate was unchanged despite a strike affecting some 20,000 workers.

Hours of Work

The average workweek rebounded from the depressed April levels, which had been affected by the occurrence of religious observances during the survey period. Specifically, hours for all production or nonsupervisory workers on private nonagricultural payrolls rose by 0.3 hour to 36.3 hours, and the manufacturing workweek rose 0.9 hour to 40.3 hours. Nearly all of the latter increase took place in overtime. These gains returned the respective levels to those prevailing in February and March. (See table B-2.)

Primarily as a result of the expansion of the workweek, the index of aggregate weekly hours of private nonagricultural production or nonsupervisory employees rose by 0.6 percent to 111.4 (1967=100), resuming the fairly steady uptrend that has persisted for over a year. The increase was much sharper in manufacturing industries because of the substantial advance in factory hours. Since the March 1975 low, the index of factory hours has risen by 9.6 percent. (See table B-5.)

Hourly and Weekly Earnings

Average hourly earnings of production or nonsupervisory workers on private nonagricultural payrolls were 1.3 percent above the April level and 7.8 percent above May 1975 (seasonally adjusted). Average weekly earnings rose 2.1 percent over the month and 9.0 percent from last May.

Before adjustment for seasonality, average hourly earnings rose by 6 cents in May to $4.83. Over the last 12 months, they have increased by 35 cents. Weekly earnings averaged $174.85 in May, up $4.08 from April and $14.47 from May of last year.

The Hourly Earnings Index

The Hourly Earnings Index--earnings adjusted for overtime in manufacturing, seasonality, and the effects of changes in the proportion of workers in high-wage and low-wage industries--was 183.6 (1967=100) in May, 0.7 percent higher than in April. The index was 7.7 percent above May a year ago. During the 12-month period ended in April, the Hourly Earnings Index in dollars of constant purchasing power rose 1.5 percent. (See table B-4.)

This release presents and analyzes statistics from two major surveys. Data on labor force, total employment, and unemployment are derived from the sample survey of households conducted and tabulated by the Bureau of the Census for the Bureau of Labor Statistics. Statistics on payroll employment, hours, and earnings are collected by State agencies from payroll records of employers and are tabulated by the Bureau of Labor Statistics. Unless otherwise indicated, data for both series relate to the week of the specified month containing the 12th day. A description of the two surveys appears in the BLS publication *Employment and Earnings.*

Table A-1. Employment status of the noninstitutional population

(Numbers in thousands)

Employment status	Not seasonally adjusted			Seasonally adjusted					
	May 1975	Apr. 1976	May 1976	May 1975	Jan. 1976	Feb. 1976	Mar. 1976	Apr. 1976	May 1976
TOTAL									
Total noninstitutional population[1]	153,051	155,516	155,711	153,051	154,915	155,106	155,325	155,516	155,711
Total labor force	93,949	95,618	95,724	94,950	95,624	95,601	95,866	96,583	96,699
Participation rate	61.4	61.5	61.5	62.0	61.7	61.6	61.7	62.1	62.1
Civilian noninstitutional population[1]	150,870	153,371	153,570	150,870	152,775	152,960	153,178	153,371	153,570
Civilian labor force	91,768	93,474	93,582	92,769	93,484	93,455	93,719	94,439	94,557
Participation rate	60.8	60.9	60.9	61.5	61.2	61.1	61.2	61.6	61.6
Employed	84,146	86,584	87,278	84,519	86,194	86,319	86,692	87,399	87,697
Agriculture	3,622	3,273	3,415	3,528	3,343	3,170	3,179	3,417	3,329
Nonagricultural industries	80,524	83,311	83,863	80,991	82,851	83,149	83,513	83,982	84,368
Unemployed	7,623	6,890	6,304	8,250	7,290	7,136	7,027	7,040	6,860
Unemployment rate	8.3	7.4	6.7	8.9	7.8	7.6	7.5	7.5	7.3
Not in labor force	59,101	59,898	59,988	58,101	59,291	59,505	59,459	58,932	59,013
Males, 20 years and over									
Total noninstitutional population[1]	64,901	66,002	66,087	64,901	65,739	65,821	65,920	66,002	66,087
Total labor force	52,434	52,825	52,894	52,724	52,576	52,603	52,623	53,010	53,144
Participation rate	80.8	80.0	80.0	81.2	80.0	79.9	79.8	80.3	80.4
Civilian noninstitutional population[1]	63,180	64,311	64,398	63,180	64,055	64,133	64,230	64,311	64,398
Civilian labor force	50,713	51,134	51,205	51,003	50,892	50,914	50,934	51,319	51,455
Participation rate	80.3	79.5	79.5	80.7	79.5	79.4	79.3	79.8	79.9
Employed	47,240	48,129	48,498	47,336	47,916	47,997	48,081	48,524	48,596
Agriculture	2,499	2,379	2,468	2,458	2,351	2,305	2,301	2,405	2,427
Nonagricultural industries	44,741	45,750	46,030	44,878	45,565	45,692	45,780	46,119	46,169
Unemployed	3,473	3,005	2,707	3,667	2,976	2,917	2,853	2,795	2,859
Unemployment rate	6.8	5.9	5.3	7.2	5.8	5.7	5.6	5.4	5.6
Not in labor force	12,467	13,177	13,193	12,177	13,163	13,219	13,296	12,992	12,943
Females, 20 years and over									
Civilian noninstitutional population[1]	71,463	72,653	72,753	71,463	72,354	72,452	72,561	72,653	72,753
Civilian labor force	32,713	33,959	33,845	32,848	33,683	33,687	33,865	34,019	33,972
Participation rate	45.8	46.7	46.5	46.0	46.6	46.5	46.7	46.8	46.7
Employed	30,116	31,625	31,682	30,077	31,140	31,165	31,398	31,523	31,664
Agriculture	596	487	521	541	545	420	442	540	473
Nonagricultural industries	29,520	31,138	31,160	29,536	30,595	30,745	30,956	30,983	31,191
Unemployed	2,596	2,334	2,163	2,771	2,543	2,522	2,467	2,496	2,308
Unemployment rate	7.9	6.9	6.4	8.4	7.5	7.5	7.3	7.3	6.8
Not in labor force	38,750	38,695	38,908	38,615	38,671	38,765	38,696	38,634	38,781
Both sexes, 16-19 years									
Civilian noninstitutional population[1]	16,226	16,407	16,419	16,226	16,366	16,376	16,387	16,407	16,419
Civilian labor force	8,343	8,381	8,532	8,918	8,909	8,854	8,920	9,101	9,130
Participation rate	51.4	51.1	52.0	55.0	54.4	54.1	54.4	55.5	55.6
Employed	6,790	6,830	7,099	7,106	7,138	7,157	7,213	7,352	7,437
Agriculture	526	407	426	529	447	445	436	472	429
Nonagricultural industries	6,263	6,423	6,672	6,577	6,691	6,712	6,777	6,880	7,008
Unemployed	1,553	1,551	1,434	1,812	1,771	1,697	1,707	1,749	1,693
Unemployment rate	18.6	18.5	16.8	20.3	19.9	19.2	19.1	19.2	18.5
Not in labor force	7,883	8,026	7,886	7,308	7,457	7,522	7,467	7,306	7,289
WHITE									
Civilian noninstitutional population[1]	133,217	135,141	135,296	133,217	134,668	134,813	134,987	135,141	135,296
Civilian labor force	81,473	82,727	82,924	82,260	82,738	82,715	82,961	83,451	83,642
Participation rate	61.2	61.2	61.3	61.7	61.4	61.4	61.5	61.8	61.8
Employed	75,216	77,189	77,836	75,462	76,839	77,101	77,282	77,867	78,087
Unemployed	6,257	5,537	5,088	6,798	5,899	5,614	5,679	5,584	5,555
Unemployment rate	7.7	6.7	6.1	8.3	7.1	6.8	6.8	6.7	6.6
Not in labor force	51,744	52,414	52,372	50,957	51,930	52,098	52,026	51,690	51,654
BLACK AND OTHER									
Civilian noninstitutional population[1]	17,652	18,230	18,273	17,652	18,107	18,147	18,191	18,230	18,273
Civilian labor force	10,295	10,747	10,658	10,479	10,731	10,795	10,748	10,901	10,838
Participation rate	58.3	59.0	58.3	59.4	59.3	59.5	59.1	59.8	59.3
Employed	8,930	9,394	9,442	8,996	9,314	9,315	9,407	9,489	9,511
Unemployed	1,366	1,352	1,216	1,483	1,417	1,480	1,341	1,412	1,327
Unemployment rate	13.3	12.6	11.4	14.2	13.2	13.7	12.5	13.0	12.2
Not in labor force	7,357	7,483	7,616	7,173	7,376	7,352	7,443	7,329	7,435

[1] Seasonal variations are not present in the population figures; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

Table A-2. Major unemployment indicators, seasonally adjusted

Selected categories	Number of unemployed persons (in thousands)		Unemployment rates					
	May 1975	May 1976	May 1975	Jan. 1976	Feb. 1976	Mar. 1976	Apr. 1976	May 1976
Total, 16 years and over	8,250	6,860	8.9	7.8	7.6	7.5	7.5	7.3
Males, 20 years and over	3,667	2,859	7.2	5.8	5.7	5.6	5.4	5.6
Females, 20 years and over	2,771	2,308	8.4	7.5	7.5	7.3	7.3	6.8
Both sexes, 16-19 years	1,812	1,693	20.3	19.9	19.2	19.1	19.2	18.5
White, total	6,798	5,555	8.3	7.1	6.8	6.8	6.7	6.6
Males, 20 years and over	3,068	2,368	6.7	5.2	5.0	5.1	4.9	5.1
Females, 20 years and over	2,276	1,861	8.0	7.0	6.7	6.8	6.7	6.3
Both sexes, 16-19 years	1,454	1,326	18.3	18.3	17.1	17.2	16.6	16.3
Black and other, total	1,483	1,327	14.2	13.2	13.7	12.5	13.0	12.2
Males, 20 years and over	604	494	11.6	11.2	11.2	10.3	10.0	9.2
Females, 20 years and over	525	472	12.1	11.0	12.2	10.1	10.9	10.4
Both sexes, 16-19 years	354	361	37.3	34.6	35.2	35.9	39.2	38.5
Household heads, total	3,260	2,588	6.1	5.1	4.9	5.0	4.8	4.8
Males	2,585	1,997	5.7	4.6	4.4	4.5	4.5	4.4
With relatives	2,202	1,594	5.4	4.1	4.0	4.0	3.9	4.0
Without relatives	383	403	8.5	8.4	8.0	8.8	9.3	8.1
Females	609	533	7.5	8.2	8.0	7.3	6.9	6.3
With relatives	390	353	10.0	10.3	10.4	9.4	9.3	8.6
Without relatives	219	180	5.2	6.1	5.7	5.4	4.7	4.1
Married men, spouse present	2,280	1,612	5.7	4.1	4.1	4.1	3.9	4.0
Full-time workers	6,775	5,451	8.5	7.3	7.1	7.0	7.0	6.8
Part-time workers	1,422	1,388	10.7	10.5	10.4	10.3	10.7	10.2
Unemployed 15 weeks and over[1]	2,529	1,998	2.7	3.0	2.7	2.4	2.2	2.1
Labor force time lost[2]	—	—	9.7	8.4	8.1	8.2	8.2	8.1
OCCUPATION[3]								
White-collar workers	2,372	2,103	5.3	4.7	4.6	4.6	4.8	4.6
Professional and technical	471	432	3.6	3.0	3.6	3.5	3.4	3.2
Managers and administrators, except farm	300	305	3.3	2.9	2.9	2.9	2.8	3.2
Sales workers	346	283	5.9	6.4	5.2	5.0	4.9	4.8
Clerical workers	1,255	1,083	7.7	6.4	6.1	6.3	7.0	6.4
Blue-collar workers	4,075	2,869	12.8	9.4	9.3	9.1	9.0	9.0
Craft and kindred workers	1,085	743	9.1	6.6	6.7	6.7	7.0	6.2
Operatives	2,106	1,418	14.2	10.2	9.8	9.8	9.3	9.5
Nonfarm laborers	884	708	17.5	14.1	14.1	12.9	13.2	14.0
Service workers	1,084	1,058	8.6	9.3	8.9	8.6	8.1	8.1
Farm workers	107	148	3.4	3.9	3.9	5.0	4.8	5.0
INDUSTRY[3]								
Nonagricultural private wage and salary workers[4]	6,578	5,229	9.8	8.1	8.0	7.7	7.6	7.6
Construction	920	604	20.9	15.4	15.5	16.0	15.3	14.1
Manufacturing	2,528	1,564	11.9	8.1	8.0	7.3	7.6	7.6
Durable goods	1,558	940	12.3	8.2	8.0	7.4	7.7	7.4
Nondurable goods	970	624	11.3	8.0	8.1	7.1	7.6	7.3
Transportation and public utilities	306	254	6.3	4.9	4.7	4.5	4.1	5.3
Wholesale and retail trade	1,482	1,416	8.8	8.7	8.4	8.7	8.3	8.1
Finance and service industries	1,325	1,262	7.0	7.0	6.8	6.1	6.2	6.4
Government workers	730	747	4.8	4.2	4.4	4.5	5.0	4.8
Agricultural wage and salary workers	137	194	9.6	10.8	10.6	11.8	11.6	13.1
VETERAN STATUS								
Males, Vietnam-era veterans[5]:								
20 to 34 years	563	460	9.3	8.1	7.8	7.0	6.7	7.3
20 to 24 years	213	137	20.5	18.9	17.9	15.6	14.7	14.7
25 to 29 years	236	209	7.2	7.1	7.1	6.6	6.2	6.6
30 to 34 years	114	114	6.7	4.8	4.6	3.8	3.7	5.1
Males, nonveterans:								
20 to 34 years	1,473	1,193	10.3	8.8	8.3	8.3	7.9	7.9
20 to 24 years	917	737	14.3	12.0	11.0	11.8	10.8	10.9
25 to 29 years	344	281	8.3	7.3	6.6	6.0	6.0	6.0
30 to 34 years	212	175	5.7	4.8	5.5	4.9	5.0	4.8

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

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

[3] Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.

[4] Includes mining, not shown separately.

[5] Vietnam-era veterans are those who served between August 5, 1964, and April 30, 1975.

Table A-3. Selected employment indicators

[In thousands]

Selected categories	Not seasonally adjusted		Seasonally adjusted					
	May 1975	May 1976	May 1975	Jan. 1976	Feb. 1976	Mar. 1976	Apr. 1976	May 1976
Total employed, 16 years and over	84,146	87,278	84,519	86,194	86,319	86,692	87,399	87,697
Males	50,954	52,301	51,195	51,761	51,870	51,944	52,490	52,554
Females	33,192	34,977	33,324	34,433	34,449	34,784	34,909	35,143
Household heads	49,974	51,200	49,975	50,628	50,737	50,789	51,165	51,200
Married men, spouse present	37,853	38,177	37,888	37,996	37,931	38,087	38,205	38,215
Married women, spouse present	19,356	20,260	19,381	20,065	19,976	20,001	20,073	20,280
OCCUPATION								
White-collar workers	41,882	43,478	42,184	42,797	43,028	43,458	43,433	43,792
Professional and technical	12,767	13,235	12,788	13,166	13,094	13,204	13,004	13,262
Managers and administrators, except farm	8,882	9,237	8,845	9,044	9,135	9,300	9,387	9,200
Sales workers	5,455	5,506	5,510	5,224	5,333	5,398	5,488	5,562
Clerical workers	14,778	15,500	15,041	15,363	15,466	15,556	15,554	15,768
Blue-collar workers	27,642	28,931	27,808	28,759	28,725	28,545	29,110	29,115
Craft and kindred workers	10,849	11,234	10,876	11,266	11,297	11,030	11,161	11,268
Operatives	12,593	13,338	12,756	13,303	13,214	13,191	13,508	13,514
Nonfarm laborers	4,200	4,359	4,176	4,190	4,214	4,324	4,441	4,333
Service workers	11,462	11,955	11,485	11,926	11,848	11,781	11,858	11,981
Farm workers	3,161	2,914	3,073	2,868	2,772	2,712	2,922	2,833
MAJOR INDUSTRY AND CLASS OF WORKER								
Agriculture:								
Wage and salary workers	1,300	1,296	1,290	1,300	1,295	1,317	1,388	1,286
Self-employed workers	1,781	1,697	1,754	1,649	1,596	1,568	1,641	1,672
Unpaid family workers	540	422	460	331	300	284	394	359
Nonagricultural industries:								
Wage and salary workers	74,270	77,447	74,910	76,568	77,023	77,376	77,834	78,134
Private households	1,419	1,315	1,396	1,287	1,200	1,308	1,351	1,294
Government	14,556	14,984	14,424	14,779	14,891	14,980	14,796	14,850
Other	58,295	61,148	59,090	60,502	60,932	61,088	61,687	61,990
Self-employed workers	5,714	5,922	5,574	5,693	5,684	5,594	5,608	5,778
Unpaid family workers	540	494	503	528	490	444	463	460
PERSONS AT WORK [1]								
Nonagricultural industries	76,993	80,099	76,022	78,506	78,399	78,167	77,413	79,056
Full-time schedules	62,227	65,207	61,969	64,211	64,381	64,328	63,708	64,947
Part time for economic reasons	3,411	3,071	3,750	3,482	3,262	3,266	3,248	3,282
Usually work full time	1,619	1,358	1,737	1,415	1,308	1,230	1,342	1,457
Usually work part time	1,792	1,713	2,013	2,067	1,954	2,036	1,906	1,925
Part time for noneconomic reasons	11,355	11,821	10,303	10,813	10,755	10,573	10,457	10,727

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

Table A-4. Duration of unemployment

[Numbers in thousands]

Weeks of unemployment	Not seasonally adjusted		Seasonally adjusted					
	May 1975	May 1976	May 1975	Jan. 1976	Feb. 1976	Mar. 1976	Apr. 1976	May 1976
Less than 5 weeks	2,645	2,450	3,081	2,706	2,686	2,609	2,979	2,855
5 to 14 weeks	2,054	1,544	2,589	2,091	1,856	1,905	1,883	1,947
15 weeks and over	2,923	2,310	2,529	2,785	2,515	2,294	2,035	1,998
15 to 26 weeks	1,764	1,022	1,479	1,155	957	903	669	830
27 weeks and over	1,159	1,289	1,050	1,630	1,558	1,391	1,366	1,168
Average (mean) duration, in weeks	14.8	16.6	13.3	16.9	16.2	15.8	15.7	15.0
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	34.7	38.9	37.6	35.7	38.1	38.3	43.2	42.0
5 to 14 weeks	26.9	24.5	31.6	27.6	26.3	28.0	27.3	28.6
15 weeks and over	38.3	36.6	30.8	36.7	35.6	33.7	29.5	29.4
15 to 26 weeks	23.1	16.2	18.0	15.2	13.6	13.3	9.7	12.2
27 weeks and over	15.2	20.4	12.8	21.5	22.1	20.4	19.8	17.2

Table A-5. Reasons for unemployment

[Numbers in thousands]

Reason	Not seasonally adjusted		Seasonally adjusted					
	May 1975	May 1976	May 1975	Jan. 1976	Feb. 1976	Mar. 1976	Apr. 1976	May 1976
NUMBER OF UNEMPLOYED								
Lost last job	4,391	3,201	4,745	3,481	3,440	3,502	3,499	3,461
Left last job	705	716	868	849	848	760	831	881
Reentered labor force	1,795	1,619	1,974	1,985	1,864	1,857	1,833	1,781
Seeking first job	733	768	821	886	849	853	894	856
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	57.6	50.8	56.4	48.3	49.1	50.2	49.6	49.6
Job leavers	9.2	11.4	10.3	11.8	12.1	10.9	11.8	12.6
Reentrants	23.5	25.7	23.5	27.6	26.6	26.6	26.0	25.5
New entrants	9.6	12.2	9.8	12.3	12.1	12.2	12.7	12.3
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE								
Job losers	4.8	3.4	5.1	3.7	3.7	3.7	3.7	3.7
Job leavers	.8	.8	.9	.9	.9	.8	.9	.9
Reentrants	2.0	1.7	2.1	2.1	2.0	2.0	1.9	1.9
New entrants	.8	.8	.9	.9	.9	.9	.9	.9

Table A-6. Unemployment by sex and age

Sex and age	Not seasonally adjusted			Seasonally adjusted unemployment rates					
	Thousands of persons		Percent looking for full-time work						
	May 1975	May 1976	May 1976	May 1975	Jan. 1976	Feb. 1976	Mar. 1976	Apr. 1976	May 1976
Total, 16 years and over	7,623	6,304	83.3	8.9	7.8	7.6	7.5	7.5	7.3
16 to 19 years	1,553	1,434	64.6	20.3	19.9	19.2	19.1	19.2	18.5
16 to 17 years	645	670	44.3	21.6	21.2	21.4	20.0	20.8	21.9
18 to 19 years	908	764	82.5	19.6	19.0	17.5	18.6	18.2	16.4
20 to 24 years	1,883	1,501	89.5	14.4	12.7	12.1	12.1	11.8	11.1
25 years and over	4,187	3,369	88.5	6.3	5.4	5.3	5.1	5.1	5.0
25 to 54 years	3,522	2,797	90.3	6.8	5.5	5.5	5.2	5.3	5.3
55 years and over	663	572	79.9	4.9	4.5	4.8	4.8	4.6	4.2
Males, 16 years and over	4,291	3,508	87.8	8.3	7.1	6.9	6.8	6.7	6.8
16 to 19 years	818	801	66.8	20.1	20.1	19.3	19.3	20.1	19.4
16 to 17 years	354	379	43.5	21.6	21.5	21.0	20.8	21.5	23.1
18 to 19 years	465	422	87.7	19.0	19.6	17.8	18.4	19.1	16.9
20 to 24 years	1,089	843	92.1	15.1	12.8	11.9	12.0	11.2	11.3
25 years and over	2,385	1,864	94.8	5.7	4.7	4.6	4.5	4.5	4.4
25 to 54 years	1,982	1,496	97.5	6.1	4.8	4.6	4.3	4.6	4.5
55 years and over	402	368	84.0	4.7	4.2	4.6	5.0	4.4	4.4
Females, 16 years and over	3,331	2,796	77.8	9.8	8.9	8.7	8.6	8.5	8.0
16 to 19 years	735	633	61.9	20.6	19.6	19.1	18.9	18.1	17.5
16 to 17 years	292	291	45.4	21.5	20.8	21.7	19.1	19.9	20.5
18 to 19 years	444	343	75.8	20.3	18.4	17.2	18.8	17.1	15.9
20 to 24 years	794	658	86.3	13.4	12.7	12.2	12.2	12.6	10.8
25 years and over	1,802	1,505	80.7	7.4	6.4	6.4	6.2	6.1	6.0
25 to 54 years	1,540	1,301	82.0	7.9	6.6	6.9	6.5	6.5	6.4
55 years and over	461	204	72.5	5.2	5.1	5.0	4.5	4.9	4.0

Table B-1. Employees on nonagricultural payrolls, by industry

[In thousands]

Industry	Not seasonally adjusted				Seasonally adjusted					
	May 1975	Mar. 1976	Apr. 1976[p]	May 1976[p]	May 1975	Jan. 1976	Feb. 1976	Mar. 1976	Apr. 1976[p]	May 1976[p]
TOTAL	76,689	77,906	78,666	79,192	76,510	78,179	78,368	78,630	78,942	78,999
GOODS-PRODUCING	22,250	22,541	22,838	23,012	22,339	22,914	22,901	23,013	23,134	23,101
MINING	740	759	767	773	738	764	763	770	773	771
CONTRACT CONSTRUCTION	3,439	3,103	3,263	3,402	3,439	3,428	3,375	3,366	3,392	3,402
MANUFACTURING	18,071	18,679	18,808	18,837	18,162	18,722	18,763	18,877	18,969	18,928
Production workers	12,807	13,409	13,527	13,542	12,887	13,448	13,487	13,577	13,666	13,624
DURABLE GOODS	10,581	10,835	10,940	11,015	10,595	10,820	10,846	10,937	10,996	11,028
Production workers	7,447	7,712	7,811	7,875	7,454	7,698	7,722	7,795	7,854	7,882
Ordnance and accessories	173.4	160.4	159.3	157.8	177	162	162	161	161	161
Lumber and wood products	545.9	578.9	587.7	600.3	546	592	595	596	597	600
Furniture and fixtures	435.0	483.4	487.7	491.3	439	477	484	487	493	495
Stone, clay, and glass products	610.9	602.9	617.3	625.3	609	616	612	616	623	623
Primary metal industries	1,174.9	1,169.4	1,182.6	1,187.5	1,168	1,162	1,168	1,173	1,179	1,180
Fabricated metal products	1,318.2	1,364.5	1,377.6	1,382.8	1,324	1,358	1,369	1,381	1,389	1,388
Machinery, except electrical	2,064.0	2,052.6	2,057.2	2,057.5	2,064	2,039	2,039	2,049	2,053	2,058
Electrical equipment	1,724.6	1,799.4	1,812.9	1,821.0	1,735	1,785	1,795	1,818	1,828	1,832
Transportation equipment	1,658.8	1,707.4	1,734.7	1,758.6	1,653	1,712	1,699	1,726	1,738	1,752
Instruments and related products	479.6	501.4	505.9	509.1	481	498	501	505	510	511
Miscellaneous manufacturing	395.3	414.6	417.1	423.7	399	419	422	425	425	428
NONDURABLE GOODS	7,490	7,844	7,868	7,822	7,567	7,902	7,917	7,940	7,973	7,900
Production workers	5,360	5,697	5,716	5,667	5,433	5,750	5,765	5,782	5,812	5,742
Food and kindred products	1,611.5	1,626.9	1,630.8	1,641.4	1,670	1,700	1,709	1,695	1,708	1,701
Tobacco manufactures	67.8	70.3	68.7	67.8	75	79	77	75	75	75
Textile-mill products	884.4	962.9	970.7	972.4	885	958	964	964	973	973
Apparel and other textile products	1,208.7	1,322.9	1,316.4	1,318.4	1,205	1,314	1,306	1,322	1,316	1,314
Paper and allied products	625.1	665.5	669.1	673.8	631	665	667	671	674	680
Printing and publishing	1,075.9	1,072.7	1,073.8	1,074.1	1,079	1,069	1,069	1,075	1,076	1,077
Chemicals and allied products	1,001.3	1,026.9	1,029.3	1,022.6	1,004	1,024	1,029	1,030	1,032	1,026
Petroleum and coal products	195.5	198.7	201.0	202.3	195	203	204	204	204	202
Rubber and plastics products, nec.	569.2	622.1	630.7	569.7	574	615	617	627	635	574
Leather and leather products	250.2	275.0	277.7	279.2	249	275	275	277	280	278
SERVICE-PRODUCING	54,439	55,365	55,828	56,180	54,171	55,265	55,467	55,617	55,808	55,898
TRANSPORTATION AND PUBLIC UTILITIES	4,487	4,462	4,476	4,493	4,491	4,494	4.517	4,498	4,512	4,497
WHOLESALE AND RETAIL TRADE	16,819	17,028	17,295	17,423	16,857	17,233	17,326	17,386	17,444	17,457
WHOLESALE TRADE	4,142	4,194	4,211	4,235	4,175	4,214	4,236	4,236	4,254	4,269
RETAIL TRADE	12,677	12,834	13,084	13,188	12,682	13,019	13,090	13,150	13,190	13,188
FINANCE, INSURANCE, AND REAL ESTATE	4,208	4,246	4,273	4,285	4,208	4,266	4,266	4,276	4,290	4,285
SERVICES	13,986	14,307	14,488	14,661	13,889	14,307	14,360	14,422	14,488	14,559
GOVERNMENT	14,939	15,322	15,296	15,318	14,726	14,965	14,998	15,035	15,074	15,100
FEDERAL	2,741	2,724	2,730	2,737	2,732	2,746	2,740	2,732	2,730	2,729
STATE AND LOCAL	12,198	12,598	12,566	12,581	11,994	12,219	12,258	12,303	12,344	12,371

p=preliminary.

Table B-2. Average weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	May 1975	Mar. 1976	Apr. 1976 p	May 1976 p	May 1975	Jan. 1976	Feb. 1976	Mar. 1976	Apr. 1976 p	May 1976 p
TOTAL PRIVATE	35.8	35.9	35.8	36.2	35.9	36.5	36.4	36.2	36.0	36.3
MINING	42.6	42.2	42.1	42.6	42.6	43.0	43.1	42.8	42.4	42.6
CONTRACT CONSTRUCTION	36.9	35.7	37.1	37.4	36.9	37.7	37.9	35.9	37.5	37.4
MANUFACTURING	39.0	40.0	39.2	40.3	39.0	40.5	40.3	40.2	39.4	40.3
Overtime hours	2.3	3.0	2.4	3.2	2.4	3.0	3.1	3.2	2.5	3.3
DURABLE GOODS	39.5	40.5	39.6	41.0	39.5	40.9	40.7	40.6	39.7	41.0
Overtime hours	2.2	3.0	2.3	3.3	2.2	2.9	3.0	3.1	2.5	3.3
Ordnance and accessories	41.0	41.0	39.6	40.3	41.1	41.4	40.7	40.8	39.7	40.4
Lumber and wood products	39.1	39.7	40.1	40.8	38.8	40.8	40.5	39.9	40.1	40.5
Furniture and fixtures	37.2	38.7	37.8	38.5	37.5	39.4	39.3	39.0	38.3	38.8
Stone, clay, and glass products	40.4	40.6	40.8	41.8	40.2	41.5	41.4	40.7	41.0	41.6
Primary metal industries	39.5	40.5	40.6	41.4	39.5	40.4	40.6	40.5	40.5	41.4
Fabricated metal products	39.6	40.7	39.4	41.0	39.5	41.0	41.0	40.9	39.6	40.9
Machinery, except electrical	40.4	41.1	40.0	41.2	40.5	41.3	41.2	41.0	40.2	41.3
Electrical equipment	39.1	40.0	38.9	40.5	39.1	40.4	40.2	40.1	39.1	40.5
Transportation equipment	39.8	41.8	39.8	42.3	39.5	41.7	41.6	42.1	40.5	42.0
Instruments and related products	39.2	40.4	39.6	40.9	39.3	40.4	40.2	40.5	39.7	41.0
Miscellaneous manufacturing	38.1	38.8	38.1	38.8	38.1	39.1	38.7	38.8	38.1	38.8
NONDURABLE GOODS	38.2	39.3	38.5	39.4	38.3	39.9	39.7	39.5	38.7	39.5
Overtime hours	2.3	3.0	2.4	3.0	2.4	3.3	3.1	3.2	2.5	3.1
Food and kindred products	39.7	39.7	39.4	40.1	39.9	40.7	40.5	40.2	40.0	40.3
Tobacco manufactures	36.6	38.3	37.6	37.8	36.9	39.1	39.5	39.3	38.5	38.1
Textile mill products	38.7	40.6	38.8	40.6	38.9	41.4	40.9	40.7	38.9	40.8
Apparel and other textile products	34.3	36.2	34.8	35.9	34.4	36.6	36.3	36.2	34.9	36.0
Paper and allied products	40.7	42.2	41.6	42.6	40.9	42.7	42.7	42.5	41.8	42.9
Printing and publishing	36.7	37.3	36.9	37.4	36.7	37.8	37.5	37.4	37.1	37.4
Chemicals and allied products	40.6	41.5	41.6	41.2	40.6	41.6	41.7	41.5	41.4	41.2
Petroleum and coal products	41.5	41.8	42.1	42.4	41.5	42.5	42.4	42.4	42.1	42.4
Rubber and plastics products, nec	39.4	40.8	39.4	40.5	39.6	40.9	40.9	41.0	39.4	40.7
Leather and leather products	36.8	38.2	37.1	38.6	36.5	38.6	38.4	38.6	37.6	38.3
TRANSPORTATION AND PUBLIC UTILITIES	39.1	39.5	39.4	39.6	39.2	39.6	39.8	39.9	39.8	39.7
WHOLESALE AND RETAIL TRADE	33.6	33.3	33.6	33.6	33.9	33.9	33.9	33.7	33.9	33.9
WHOLESALE TRADE	38.5	38.5	38.5	38.7	38.6	38.9	38.8	38.7	38.8	38.8
RETAIL TRADE	32.1	31.7	32.1	32.0	32.5	32.5	32.3	32.2	32.5	32.4
FINANCE, INSURANCE, AND REAL ESTATE	36.3	36.4	36.5	36.7	36.4	36.5	36.7	36.5	36.5	36.8
SERVICES	33.6	33.3	33.3	33.3	33.9	33.7	33.7	33.5	33.5	33.6

[1] Data relate to production workers in mining and manufacturing: to construction workers in contract construction: and to 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 employment on private nonagricultural payrolls.

p=preliminary.

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry

Industry	Average hourly earnings				Average weekly earnings			
	May 1975	Mar. 1976	Apr. 1976 p	May 1976 p	May 1975	Mar. 1976	Apr. 1976 p	May 1976 p
TOTAL PRIVATE	$4.48	$4.75	$4.77	$4.83	$160.38	$170.53	$170.77	$174.85
Seasonally adjusted	4.49	4.77	4.78	4.84	161.19	172.67	172.08	175.69
MINING	5.81	6.29	6.30	6.37	247.51	265.44	265.23	271.36
CONTRACT CONSTRUCTION	7.12	7.54	7.52	7.60	262.73	269.18	278.99	284.24
MANUFACTURING	4.75	5.07	5.07	5.13	185.25	202.80	198.74	206.74
DURABLE GOODS	5.06	5.43	5.41	5.50	199.87	219.92	214.24	225.50
Ordnance and accessories	5.15	5.56	5.59	5.62	211.15	227.96	221.36	226.49
Lumber and wood products	4.17	4.50	4.51	4.58	163.05	178.65	180.85	186.86
Furniture and fixtures	3.70	3.90	3.91	3.95	137.64	150.93	147.80	152.08
Stone, clay, and glass products	4.83	5.11	5.19	5.27	195.13	207.47	211.75	220.29
Primary metal industries	6.04	6.63	6.76	6.79	238.58	268.52	274.46	281.11
Fabricated metal products	4.98	5.32	5.27	5.39	197.21	216.52	207.64	220.99
Machinery, except electrical	5.29	5.66	5.62	5.70	213.72	232.63	224.80	234.84
Electrical equipment	4.53	4.80	4.76	4.85	177.12	192.00	185.16	196.43
Transportation equipment	5.88	6.44	6.31	6.45	234.02	269.19	251.14	272.84
Instruments and related products	4.52	4.78	4.77	4.83	177.18	193.11	188.89	197.55
Miscellaneous manufacturing	3.75	3.96	3.94	3.97	142.88	153.65	150.11	154.04
NONDURABLE GOODS	4.30	4.56	4.58	4.59	164.26	179.21	176.33	180.85
Food and kindred products	4.52	4.84	4.88	4.91	179.44	192.15	192.27	196.89
Tobacco manufactures	4.77	5.01	5.14	5.12	174.58	191.88	193.26	193.54
Textile mill products	3.33	3.57	3.52	3.58	128.87	144.94	136.58	145.35
Apparel and other textile products	3.15	3.37	3.37	3.36	108.05	121.99	117.28	120.62
Paper and allied products	4.86	5.25	5.27	5.32	197.80	221.55	219.23	226.63
Printing and publishing	5.32	5.60	5.61	5.65	195.24	208.88	207.01	211.31
Chemicals and allied products	5.30	5.70	5.75	5.81	215.18	236.55	239.20	239.37
Petroleum and coal products	6.33	7.08	7.13	7.17	262.70	295.94	300.17	304.01
Rubber and plastics products, nec	4.30	4.55	4.50	4.38	169.42	185.64	177.30	177.39
Leather and leather products	3.20	3.40	3.41	3.41	117.76	129.88	126.51	131.63
TRANSPORTATION AND PUBLIC UTILITIES	5.78	6.29	6.33	6.38	226.00	248.46	249.40	252.65
WHOLESALE AND RETAIL TRADE	3.72	3.91	3.92	3.94	124.99	130.20	131.71	132.38
WHOLESALE TRADE	4.83	5.06	5.10	5.15	185.96	194.81	196.35	199.31
RETAIL TRADE	3.31	3.48	3.50	3.51	106.25	110.32	112.35	112.32
FINANCE, INSURANCE, AND REAL ESTATE	4.11	4.31	4.35	4.41	149.19	156.88	158.78	161.85
SERVICES	4.01	4.28	4.30	4.34	134.74	142.52	143.19	144.52

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[1] See footnote 1, table B-2.

p=preliminary.

Table B-4. Hourly earnings index for production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry division, seasonally adjusted

[1967=100]

Industry	May 1975	Dec. 1975	Jan. 1976	Feb. 1976	Mar. 1976	Apr. P 1976	May P 1976	Percent change from May 1975-May 1976	Percent change from Apr. 1976-May 1976
TOTAL PRIVATE NONFARM:									
Current dollars	170.6	178.6	179.6	180.8	181.4	182.3	183.6	7.7	0.7
Constant (1967) dollars	107.0	107.3	107.5	108.1	108.2	108.3	N.A.	(2)	(3)
MINING	180.7	190.2	192.2	193.6	194.8	195.1	197.8	9.5	1.4
CONTRACT CONSTRUCTION	173.4	180.3	180.0	180.1	183.4	183.6	184.9	6.6	.7
MANUFACTURING	169.7	177.6	178.8	179.8	180.7	181.8	182.4	7.5	.3
TRANSPORTATION AND PUBLIC UTILITIES	179.3	190.5	192.2	194.1	194.8	195.6	197.8	10.3	1.1
WHOLESALE AND RETAIL TRADE	166.4	172.4	174.0	174.4	174.9	175.5	176.8	6.2	.7
FINANCE, INSURANCE, AND REAL ESTATE	160.4	165.1	165.9	168.3	168.3	169.9	172.3	7.4	1.4
SERVICES	173.5	182.6	184.6	185.4	185.2	186.4	188.3	8.5	1.0

[1] See footnote 1, table B-2.

[2] Percent change was 1.5 from April 1975 to April 1976, the latest month available.

[3] Percent change was 0.1 from March 1976 to April 1976, the latest month available.

N.A. = not available.

p=preliminary.

NOTE: All series are in current dollars except where indicated. The index excludes effects of two types of changes that are unrelated to underlying wage-rate developments: Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries.

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry, seasonally adjusted

[1967 = 100]

Industry division and group	1975								1976				
	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.p	Mayp
TOTAL	106.3	106.0	106.2	107.4	107.9	108.4	108.8	109.3	110.3	110.5	110.2	110.5	111.4
GOODS-PRODUCING	89.4	88.9	89.3	91.2	92.4	92.7	92.9	94.3	95.5	95.2	94.8	94.5	96.1
MINING	119.4	118.4	118.8	118.6	119.9	125.0	124.7	125.7	125.2	124.4	124.8	124.5	124.3
CONTRACT CONSTRUCTION	99.3	94.9	96.2	98.3	98.6	97.3	97.7	98.8	100.3	98.8	93.4	98.6	98.5
MANUFACTURING	86.6	86.8	87.1	89.0	90.3	90.8	90.9	92.5	93.7	93.6	94.0	92.7	94.7
DURABLE GOODS	85.4	85.2	84.9	86.7	87.7	87.8	88.1	90.0	91.3	91.3	92.0	90.9	93.7
Ordnance and accessories	47.5	46.9	44.7	43.7	43.0	42.9	40.8	41.5	41.6	40.9	41.0	40.4	40.6
Lumber and wood products	84.4	85.8	86.7	88.8	90.1	92.1	90.8	93.4	97.0	96.4	95.2	96.1	97.4
Furniture and fixtures	87.7	87.2	88.7	92.6	97.4	97.9	99.2	101.0	101.5	103.1	102.8	102.2	104,6
Stone, clay, and glass products	92.6	92.4	93.1	94.5	95.7	95.7	96.2	97.1	97.6	96.7	95.7	97.8	99.2
Primary metal industries	82.1	80.8	80.0	81.7	83.5	81.9	82.3	83.6	84.1	84.9	85.3	85.8	88.0
Fabricated metal products	89.0	88.5	86.7	90.9	92.0	92.8	92.7	94.6	95.7	96.6	97.3	95.0	98.1
Machinery, except electrical	93.1	91.3	90.4	91.0	91.8	91.9	92.0	92.5	93.4	93.2	93.3	91.6	94.4
Electrical equipment and supplies	81.9	81.8	81.6	84.3	84.9	85.8	85.5	87.5	89.0	89.2	90.3	89.0	92.6
Transportation equipment	80.2	81.4	82.0	82.9	82.2	81.5	83.1	87.3	89.0	88.2	90.8	88.2	92.0
Instruments and related products	97.1	97.0	98.1	97.2	99.4	100.8	101.7	103.4	105.0	105.2	106.3	105.9	110.1
Miscellaneous manufacturing, Ind.	86.5	87.0	87.7	89.0	91.4	91.3	90.8	91.7	94.4	94.3	95.1	93.1	95.4
NONDURABLE GOODS	88.2	89.1	90.2	92.4	94.1	95.1	95.0	96.2	97.1	96.9	96.9	95.3	96.1
Food and kindred products	92.9	93.1	93.4	96.1	96.9	96.5	95.1	95.4	96.9	97.3	95.5	95.9	96.2
Tobacco manufactures	80.3	86.7	80.8	85.8	88.1	85.6	93.4	87.4	90.6	88.8	85.6	82.5	82.9
Textile mill products	85.7	87.0	88.5	93.0	96.4	98.1	98.0	99.1	99.7	99.0	98.6	95.1	99.7
Apparel and other textile products	79.8	82.4	84.6	85.3	87.8	90.0	90.1	92.1	93.1	91.8	92.6	88.9	91.5
Paper and allied products	85.7	86.4	87.6	89.6	91.3	92.0	92.6	94.7	95.2	95.8	95.9	95.0	98.3
Printing and publishing	92.0	91.2	90.9	92.4	91.9	91.8	92.4	93.5	93.4	92.5	92.7	92.1	93.0
Chemicals and allied products	92.7	92.6	93.0	94.5	96.1	97.4	97.6	98.1	98.5	99.4	99.1	99.1	98.1
Petroleum and coal products	104.4	105.3	107.2	107.3	108.9	110.2	111.6	111.1	113.8	114.4	114.4	114.5	113.6
Rubber and plastics products, nec	105.1	105.1	106.9	110.6	113.0	114.7	113.5	116.2	118.8	119.3	121.8	119.0	107.8
Leather and leather products	66.8	69.6	71.4	72.1	74.9	77.2	77.2	78.1	79.3	78.9	79.9	78.5	79.6
SERVICE-PRODUCING	118.0	117.8	118.0	118.7	118.7	119.3	119.8	119.7	120.6	121.0	120.9	121.6	122.0
TRANSPORTATION AND PUBLIC UTILITIES	100.3	100.6	100.3	100.5	101.1	101.2	101.5	101.7	101.5	102.7	102.5	102.3	101.7
WHOLESALE AND RETAIL TRADE	113.9	113.7	114.0	114.6	114.6	115.1	115.2	115.5	116.8	116.8	116.8	118.2	118.0
WHOLESALE TRADE	111.4	110.3	110.8	111.0	111.3	112.0	111.5	112.3	113.4	113.6	113.2	114.0	114.4
RETAIL TRADE	114.8	115.0	115.2	115.9	115.8	116.2	116.6	116.6	118.1	118.0	118.1	119.8	119.4
FINANCE, INSURANCE, AND REAL ESTATE	122.9	123.2	122.3	122.9	123.5	123.7	125.1	124.5	125.1	125.8	125.5	125.6	126.3
SERVICES	130.3	129.9	130.4	131.4	131.1	132.0	133.1	132.3	133.3	133.9	133.7	134.1	135.3

[1] See footnote 1, table B-2.

p=preliminary.

Table B-6. Indexes of diffusion: Percent of industries in which employment[1] increased

Year and month	Over 1-month span	Over 3-month span	Over 6-month span	Over 12-month span
1973				
January	76.7	84.0	81.7	81.1
February	75.0	83.7	79.4	80.8
March	73.8	76.2	79.4	82.6
April	62.5	71.5	74.7	81.4
May	59.9	70.3	72.1	79.7
June	68.0	63.1	66.6	78.5
July	55.8	66.9	72.1	75.6
August	63.1	64.8	72.7	73.5
September	61.6	74.7	73.0	69.2
October	72.7	75.9	75.6	66.0
November	75.0	76.5	70.3	66.6
December	66.6	70.1	66.0	64.2
1974				
January	59.3	62.8	60.8	63.4
February	52.6	53.8	55.2	59.6
March	46.5	48.0	49.7	55.2
April	47.1	48.3	48.5	50.3
May	55.2	51.7	49.7	40.1
June	53.2	52.6	45.6	28.2
July	52.3	45.1	37.2	27.0
August	45.9	39.2	31.1	22.4
September	36.0	40.4	23.3	20.9
October	37.8	28.8	17.7	18.6
November	20.1	21.5	17.2	16.6
December	18.6	13.4	13.1	14.0
1975				
January	18.6	12.5	13.4	16.6
February	16.6	13.7	13.1	17.4
March	25.0	19.2	16.3	17.4
April	40.4	35.8	27.9	20.9
May	53.8	40.4	40.1	25.9
June	40.4	48.5	60.8	40.4
July	55.2	55.8	67.4	50.3
August	73.5	80.2	67.4	62.5
September	81.7	81.4	76.5	71.2
October	64.8	70.3	79.4	76.7p
November	54.7	68.9	82.0	79.1p
December	66.6	72.7	75.6	
1976				
January	75.0	78.8	81.1p	
February	70.1	81.7	81.7p	
March	70.9	79.1p		
April	73.8p	77.0p		
May	59.6p			
June				
July				
August				
September				
October				
November				
December				

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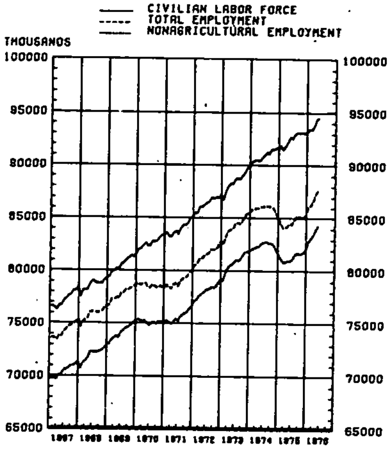
[1] Number of employees, seasonally adjusted, on payrolls of 172 private nonagricultural industries.

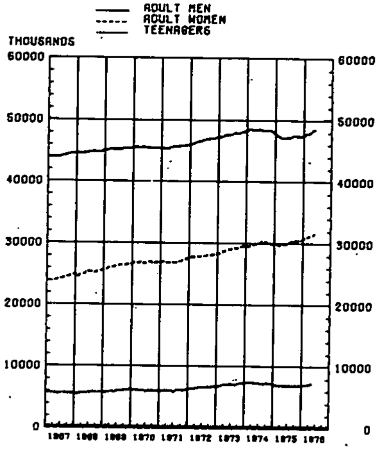
p = preliminary.

LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT HOUSEHOLD DATA - SEASONALLY ADJUSTED

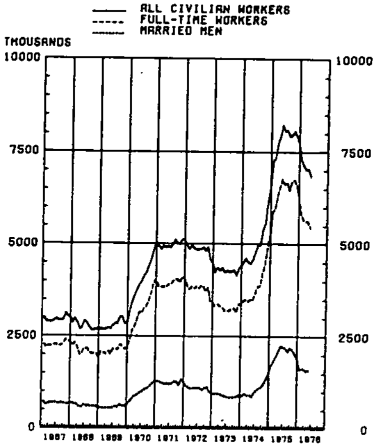
1. LABOR FORCE AND EMPLOYMENT



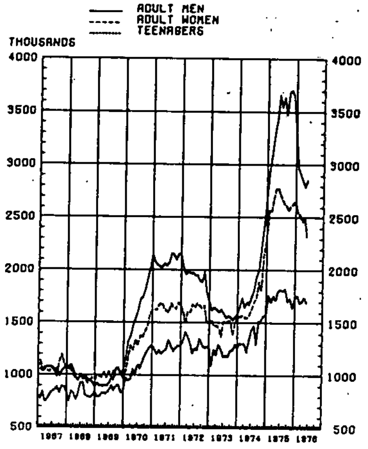
2. TOTAL EMPLOYMENT



3. UNEMPLOYMENT

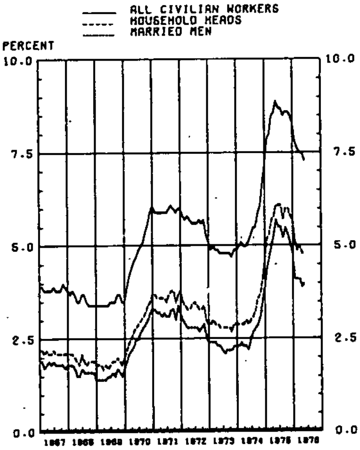


4. UNEMPLOYMENT

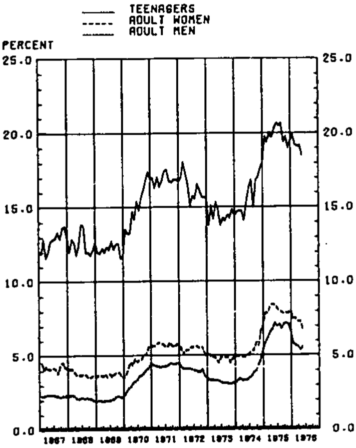


UNEMPLOYMENT RATES
HOUSEHOLD DATA - SEASONALLY ADJUSTED

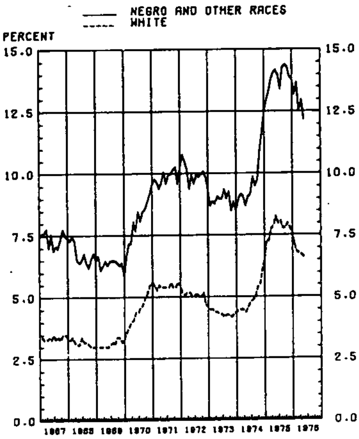
5. UNEMPLOYMENT RATES



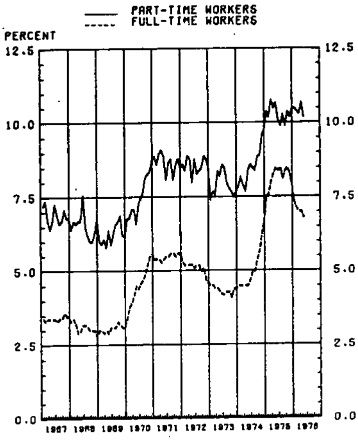
6. UNEMPLOYMENT RATES



7. UNEMPLOYMENT RATES

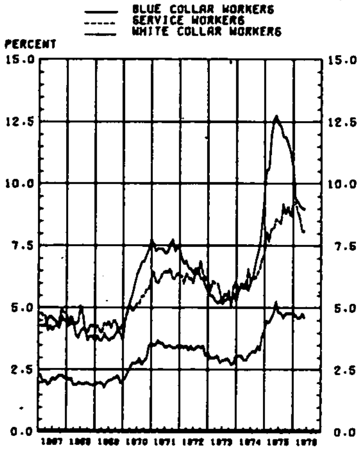


8. UNEMPLOYMENT RATES

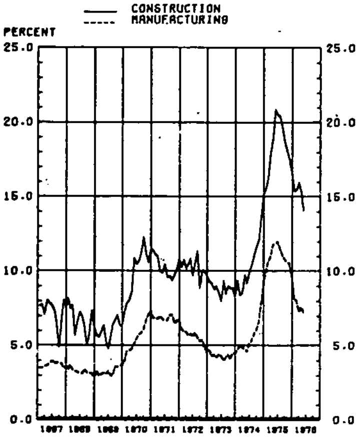


UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

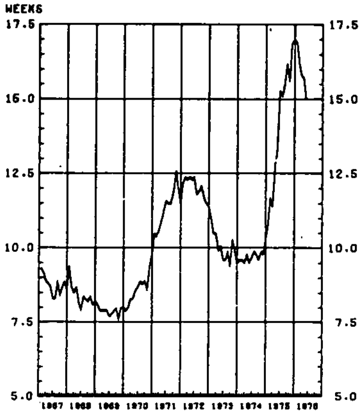
9. UNEMPLOYMENT RATES



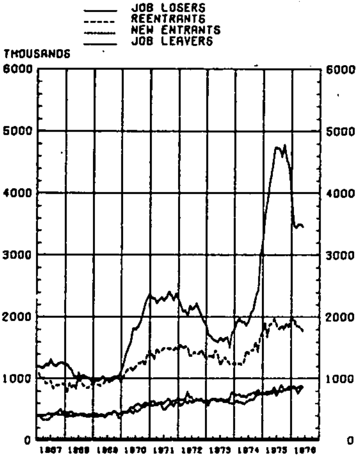
10. UNEMPLOYMENT RATES



11. AVERAGE DURATION OF UNEMPLOYMENT

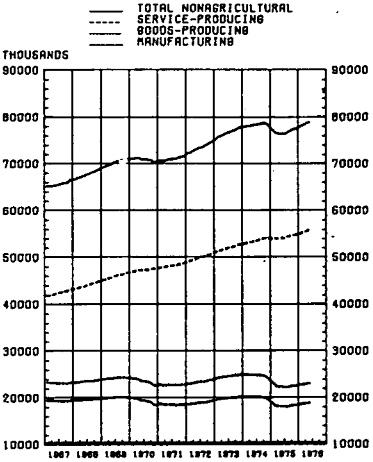


12. UNEMPLOYMENT BY REASON

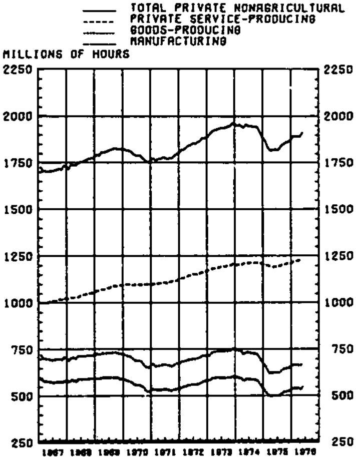


NONAGRICULTURAL EMPLOYMENT AND HOURS
ESTABLISHMENT DATA - SEASONALLY ADJUSTED

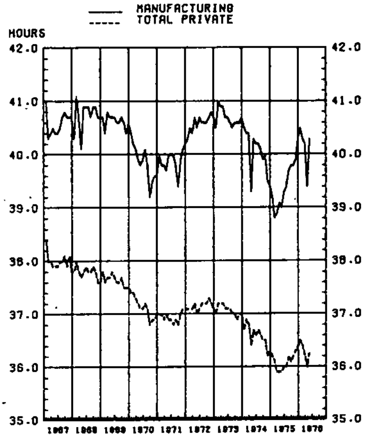
13. EMPLOYMENT



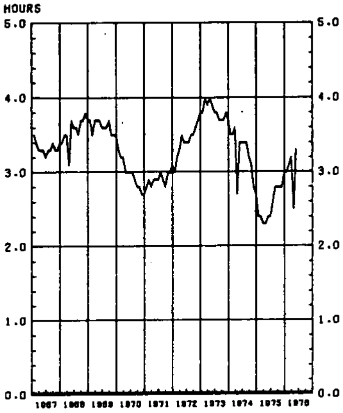
14. HOURS



15. AVERAGE WEEKLY HOURS



16. AVERAGE WEEKLY OVERTIME HOURS IN MANUFACTURING



NOTE: Charts 14 and 15 relate to production or nonsupervisory workers; chart 16 relates to production workers. Data for the 2 most recent months are preliminary in charts 13-16.

TABLE 1.—UNEMPLOYMENT RATE BY ALTERNATE SEASONAL ADJUSTMENT METHODS

Month	Unadjusted rate (1)	Official adjusted rate (2)	Alternative age-sex procedures		Other aggregations (all multiplicative)					Direct adjustments			Composite		Range (col. 2-14) (15)
			All multiplicative (3)	All additive (4)	Duration (5)	Full time/part time (6)	Reasons (7)	Occupation (8)	Industry (9)	Rate (10)	Level (11)	Residual (12)	No. 1 (13)	No. 2 (14)	
1975															
January	9.0	7.9	8.0	8.3	8.1	7.9	7.8	7.9	7.8	8.1	8.1	8.4	8.0	8.0	0.6
February	9.1	8.0	8.1	8.4	7.9	8.0	7.8	7.8	8.0	8.0	8.1	8.4	8.0	8.0	.6
March	9.1	8.5	8.5	8.7	8.4	8.4	8.3	8.4	8.4	8.5	8.5	8.7	8.5	8.4	.4
April	8.6	8.6	8.7	8.6	8.5	8.6	8.6	8.7	8.7	8.8	8.8	8.7	8.6	8.6	.3
May	8.3	8.9	9.0	8.7	8.8	8.8	9.0	9.1	9.0	9.3	9.2	8.7	8.8	8.9	.6
June	9.1	8.7	8.6	8.7	8.6	8.7	8.7	8.6	8.7	8.2	8.2	8.5	8.6	8.6	.5
July	8.7	8.7	8.6	8.6	8.6	8.7	8.8	8.6	8.6	8.5	8.4	8.5	8.7	8.6	.4
August	8.2	8.5	8.5	8.4	8.7	8.5	8.7	8.7	8.6	8.5	8.5	8.4	8.6	8.6	.3
September	8.1	8.6	8.6	8.4	8.8	8.6	8.8	8.6	8.5	8.5	8.5	8.4	8.6	8.6	.4
October	7.8	8.6	8.7	8.4	8.8	8.7	8.7	8.5	8.6	8.5	8.6	8.4	8.6	8.6	.4
November	7.8	8.5	8.5	8.2	8.7	8.6	8.6	8.4	8.5	8.5	8.5	8.3	8.5	8.5	.3
December	7.8	8.3	8.4	8.2	8.5	8.3	8.2	8.3	8.4	8.5	8.4	8.2	8.3	8.3	.3

See footnotes on page 1306.

TABLE 1.–UNEMPLOYMENT RATE BY ALTERNATE SEASONAL ADJUSTMENT METHODS

Month	Unadjusted rate (1)	Official adjusted rate (2)	Alternative age-sex procedures		Other aggregations (all multiplicative)					Direct adjustments			Composite		Range (col. 2–14) (15)
			All multiplicative (3)	All additive (4)	Duration (5)	Full time/ part time (6)	Reasons (7)	Occupation (8)	Industry (9)	Rate (10)	Level (11)	Residual (12)	No. 1 (13)	No. 2 (14)	
1976															
January	8.8	7.8	7.8	8.2	8.1	7.8	7.7	7.8	7.8	7.9	7.9	8.2	7.9	7.9	.5
February	8.7	7.6	7.7	7.9	7.6	7.6	7.5	7.6	7.7	7.7	7.7	7.9	7.6	7.6	.4
March	8.1	7.5	7.5	7.7	7.3	7.5	7.4	7.5	7.5	7.6	7.5	7.7	7.5	7.5	.4
April	7.4	7.5	7.5	7.4	7.3	7.5	7.5	7.6	7.6	7.6	7.5	7.5	7.5	7.5	.3
May	6.7	7.3	7.3	7.1	7.2	7.2	7.4	7.4	7.4	7.5	7.5	7.2	7.3	7.3	.4
June															
July															
August															
September															
October															
November															
December															

Source: U.S. Department of Labor, Bureau of Labor Statistics, June 4, 1976.

Note: An explanation of cols. 1 to 14 appears below:

(1) Unemployment rate not seasonally adjusted.

(2) Official rate.—This is the published seasonally adjusted rate. Each of 4 unemployed age-sex components—males and female, 16 to 19 and 20 yr of age and over—is independently adjusted. The teenage unemployment components are adjusted using the additive procedure of the X–11 method, while adults are adjusted using the X–11 multiplicative option. The rate is calculated by aggregating the 4 and dividing them by 12 summed labor force components—these 4 plus 8 employment components, which are the 4 age-sex groups in agriculture and nonagricultural industries. This employment total is also used in the calculation of the labor force base in cols. (3) to (9). The current "implicit" factors for the total unemployment rate are as follows: January, 113.1; February, 113.7; March, 108.1; April, 99.4; May, 93.4; June, 104.5; July, 99.5; August, 96; September, 94.7; October, 89.8; November, 91.4; December, 93.4.

(3) Multiplicative rate.—The 4 basic unemployed age-sex groups—males and females, 16 to 19, and 20 yr and over—are adjusted by the X–11 multiplicative procedure.

(4) Additive rate.—The 4 basic unemployed age-sex groups—males and females, 16 to 19, and 20 yr and over—are adjusted by the X–11 additive procedure.

(5) Duration.—Unemployment total is aggregated from 3 independently adjusted unemployment by duration groups (0 to 4, 5 to 14, 15 plus).

(6) Full-time and part-time.—Unemployment total is aggregated from 6 independently seasonally adjusted unemployment groups, by whether the unemployed are seeking full-time or part-time work for men 20 plus, women 20 plus, and teenagers.

(7) Reasons.—Unemployment total is aggregated from 4 independently seasonally adjusted unemployment levels by reasons for unemployment—job losers, job leavers, new entrants, and reentrants.

(8) Occupation.—Unemployment total is aggregated from independently seasonally adjusted unemployment by the occupation of the last job held. There are 13 unemployed components—12 major occupations plus new entrants to the labor force (no previous work experience).

(9) Industry.—Unemployment total is aggregated from 12 independently adjusted industry and class-of-worker categories, plus new entrants to the labor force.

(10) Unemployment rate adjusted directly.

(11) Unemployment and labor force levels adjusted directly.

(12) Labor force and employment levels adjusted directly, unemployment as a residual and rate then calculated.

(13) Average of (2), (5), (6), (7), and (12).

(14) Average of (2), (5), (6), (7), (8), (9), and (12).

Note: The X–11 method, developed by Julius Shiskin at the Bureau of the Census over the period 1955–65, was used in computing all the seasonally adjusted series described above.

TABLE 2.—EMPLOYMENT-POPULATION RATIOS

Category	Annual averages		Seasonally adjusted estimates								
			January 1974 (cyclical high month)	March 1975 (cyclical low month)	Quarterly averages				Current months		
	1974	1975			II 1975	III 1975	IV 1975	I 1976	March 1976	April 1976	May 1976
Total, all workers	57.8	56.0	58.3	55.9	56.0	56.1	56.0	56.5	56.6	57.0	57.1
Adult males	77.9	74.9	79.0	74.9	74.8	74.9	74.5	74.8	74.9	75.5	75.5
Adult females	42.7	42.3	42.4	42.0	42.2	42.5	42.5	43.1	43.3	43.4	43.5
Teenagers	46.1	43.3	47.5	43.2	43.3	43.3	43.0	43.8	44.0	44.8	45.3

Source: U.S. Department of Labor, Bureau of Labor Statistics, June 4, 1976.

TABLE 3.—RANGE OF UNEMPLOYMENT INDICATORS REFLECTING VALUE JUDGMENTS ABOUT SIGNIFICANCE OF UNEMPLOYMENT

[In percent]

U-1 through U-7	Annual averages		Seasonally adjusted estimates								
			Oct. 1973 (cyclical low month)	May 1976 (cyclical high month)	Quarterly averages				Current months		
	1974	1975			II 1975	III 1975	IV 1975	I 1976	Mar. 1976	Apr. 1976	May 1976
U-1—Persons unemployed 15 weeks or longer as a percent of total civilian labor force	1.0	2.7	0.9	2.7	2.7	3.1	3.1	2.7	2.4	2.2	2.1
U-2—Job losers as a percent of civilian labor force	2.4	4.7	1.7	5.1	5.0	5.0	4.6	3.7	3.7	3.7	3.7
U-3—Unemployed household heads as a percent of the household head labor force	3.3	5.8	2.7	6.1	6.0	5.9	5.9	5.0	5.0	4.8	4.8
U-4—Unemployed full-time job seekers as a percent of the full-time labor force (including those employed part time for economic reasons)	5.1	8.1	4.1	8.5	8.4	8.3	8.2	7.1	7.0	7.0	6.8
U-5—Total unemployed as a percent of civilian labor force (official measure)	5.6	8.5	4.7	8.9	8.7	8.6	8.5	7.6	7.5	7.5	7.3
U-6—Total full-time job seekers plus half part-time job seekers plus half total on part time for economic reasons as a percent of civilian labor force less half part-time labor force	6.9	10.3	5.9	10.9	10.7	10.4	10.3	9.3	9.2	9.1	8.9
U-7—Total full-time job seekers plus half part-time job seekers plus half total on part time for economic reasons plus discouraged workers as a percent of civil-labor force plus discouraged workers less half of part-time labor force	7.7	11.5	[1] 6.6	[1] 12.0	11.9	11.6	11.3	10.3	(2)	(2)	(2)

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[1] Uses discouraged worker figure for quarter which includes applicable month.
[2] Not available.

Note: The numerators and denominators (in thousands) for the 1st quarter 1976 rates are as follows: U-1, 2,531/93,553; U-2, 3,474/93,553; U-3, 2,684/53,402; U-4, 5,718/79,995; U-5, 7,151/93,553; U-6, 8,095/86,726; U-7, 9,032/87,663.

Source: U.S. Department of Labor, Bureau of Labor Statistics, June 4, 1976.

TABLE 4.—MEASURES OF PROGRESS TOWARD PREVIOUS CYCLICAL PEAK LEVEL DURING CURRENT ECONOMIC RECOVERY

Series (with latest month available) (1)	Percent decline during 1973–75 recession (2)	Percent of recession decline recovered, trough to date (3)	Percent of previous peak level (4)	Percent change from trough (5)
I. Leading indicators:				
Leading index, trend adjusted (April)	−22.4	87.6	97.2	+25.3
Average workweek (May)[1]	−4.4	55.6	98.0	+2.6
New orders, 1967 dollars (April)[1]	−28.8	58.3	88.0	+23.6
Contracts and orders, 1967 dollars (April)[1]	−29.6	16.4	75.2	+6.9
Housing starts (April)[1]	−58.6	32.8	60.6	+46.4
Stock prices (April)	−43.4	67.9	86.1	+52.0
Corporate profits after taxes, 1972 dollars (1st quarter, 1976)	−35.9	59.2	85.4	+33.2
II. Coincident indicators:				
Nonagricultural payroll employment (May)	−3.2	106.8	100.2	+3.5
Aggregate hours, nonagricultural establishments (April)	−5.0	51.6	97.6	+2.7
Unemployment level (May)[2]	+98.3	34.0	164.9	−16.8
GNP, 1972 dollars (1st quarter, 1976, revised)	−6.6	100.4	100.0	+7.1
Personal income less transfer payments, 1967 dollars (April)	−7.4	78.4	98.4	+6.2
Industrial production (April)	−13.8	71.6	96.1	+11.5
Retail sales, 1967 dollars (April)[1]	−10.0	90.1	99.0	+10.0

[1] 3-month averages have been used for the calculations for this series; for example, the averages of the specific trough month, the previous and following months were compared with the average for the latest 3 months available to obtain the entries in cols. (3) to (5). For other series single months have been used.

[2] The unemployment series tends to move counter to movements in general business activity; that is, the unemployment level tends to rise during recessions and decline during expansions. Col. 2 shows the percent of the increase in unemployment that has been offset.

TABLE 5.—MEASURES OF PROGRESS TOWARD PREVIOUS CYCLICAL PEAK LEVEL AT CORRESPONDING STAGE OF 1958–59 ECONOMIC RECOVERY

Series (1)	Percent decline during 1957–58 recession (2)	Percent of recession decline recovered (3)	Percent of previous peak level (4)	Percent change from trough (5)
Nonagricultural payroll employment	−4.3	104.2	100.2	+4.7
Unemployment level[1]	+102.4	60.4	140.6	−30.5
GNP, 1972 dollars	−3.2	213.1	103.7	+7.1

[1] The unemployment series tends to move counter to movements in general business activity; that is, the unemployment level tends to rise during recessions and decline during expansions. Col. 2 shows the percent of the increase in unemployment that has been offset.

Representative **Bolling**. Thank you, Ms. Norwood. Before I begin asking questions, I would like to tell you that I agree with you that the country has been fortunate in having a man with the expertise of Mr. Shiskin reporting on these matters to us throughout this difficult period that we have had. I heartily agree with that thought.

Now, I have a number of questions that are quite specific, and then a rather broad and long-term question.

Ms. Norwood, May has now become the month in which many young people finish their college year and begin looking for summer employment. What information, if any, does the May employment survey provide on job opportunities for this group?

Ms. **Norwood**. The labor force survey, the household survey does not really get into questions of job opportunities. The Bureau of Labor Statistics does have a number of programs which relate to occupational employment and to the occupational outlook, much of which is used by high school counselors and others as well as college counselors to try to point out to young people where job opportunities are.

In addition, the Bureau is working closely with the Employment and Training Administration in a number of activities to try to ease the transition from school to work. But we have no specific data from the household survey which would indicate where there are particular opportunities.

The payroll survey, as you know, does not provide us with the particular personal characteristics of workers, so that it is very difficult from these data to speculate on where these may be.

Representative BOLLING. Is the Bureau of Labor Statistics planning any special surveys or analyses this summer on the employment-unemployment situation of the young people? Is there anything special coming up? It seems to me that this is a very important and difficult problem which is getting more and more attention, and there ought to be some thought given to special attention.

Ms. NORWOOD. We are not planning any special survey work. We do have work underway to do more complete analyses of the labor force status of young people.

Representative BOLLING. There has been a lot of material appearing, and I in particular am very conscious of what seems to be an acute problem for the young, particularly in inner cities, and I wonder if there is work being done on what kind of prospects young people have when they get out of high school. You know, politicians are out talking to high school graduates in classes, and at college graduations. You sit on a platform for quite a long time and speak very briefly, not about anything that is very pertinent, but the only thing that anybody is interested in is jobs, and I wonder how much we already know or are planning to learn about the availability of jobs in a year like this one.

Ms. NORWOOD. It is very difficult, really, to estimate job openings. We do, as I indicated, publish a great deal of material which points out occupational opportunities. We do some projections in an attempt to indicate where the particular opportunities of the future will lie. We have an economic growth program which looks ahead many years to try to indicate what the structure of the economy will be, but we do not have any very specific information as of the particular time period that young people are moving from school to work.

However, the Department of Labor, in its employment security agencies, has job banks and has a good deal of counseling materials to help young people. This is an area in which the Department, and I am sure, the Secretary, have special interests, and I do want to assure you the Department is aware of this and is taking steps to try to fill many of these voids.

Representative BOLLING. Does the influx of young people in the labor market in May and June of this year present any special problems of seasonal adjustment?

Ms. NORWOOD. Yes, they do. The Bureau of Labor Statistics a few months ago changed the methods of seasonal adjustment in order to be able to cope with exactly that problem, and we do hope, we anticipate, that our seasonal adjustment process will be much smoother next month when there is usually more of an influx of young people into the labor force.

Representative Bolling. In that connection, would the unusually large level of unemployment last May be working now to make a seasonal adjustment factor for this year too large, so that we may be adjusting away too many of the unemployed?

Ms. Norwood. There are always, of course, some effects from high levels of unemployment in a particular year, since seasonal adjustment requires the use of several years of data. However, we have no evidence as of now indicating that there will be any extraordinarily serious difficulties.

Perhaps Mr. Stein would like to comment further.

Mr. Stein. I think, Mr. Chairman, our shift to an additive method for teenagers mitigates the problem that you refer to. If we were back in the old system of a percentage type seasonal adjustment, with high levels, it would give us considerable problems.

Representative Bolling. Well, do I take it from this that by and large the BLS is satisfied with the seasonally adjusted unemployment statistics thus far in 1976?

Ms. Norwood. Yes.

Representative Bolling. Do the other data available on employment and unemployment support the major decline of the unemployment rate in May from 8.3 percent in December 1975 to the present 7.3 percent? I mean, is there a way to cross-check it?

Ms. Norwood. Well, one looks always, of course, in reviewing the employment situation, at a variety of other kinds of data, and I think that the information we have on what is happening to the labor force, what is happening to employment, both from our household survey and our business survey, all indicate that improvement has occurred.

Representative Bolling. Another direction: in May, this May, the unemployment rate for adult women declined while the rate for adult men remained at the level prevailing 2-months ago. Last month we discussed this question, and the Commissioner pointed out that the greatest employment gains in this recovery have been in sectors of the economy employing large numbers of women, services and retail trade.

Did this trend continue in May?

Ms. Norwood. Yes, I believe it has.

Representative Bolling. Also, has BLS examined changing work attitudes among women over time as a possible reason for continued improvement in unemployment? Is there a change, is there a shift in the attitude of women that has some connection with this phenomenon, if it is a phenomenon?

Ms. Norwood. There certainly have been enormous shifts in both the attitudes and in the labor force activity and expectations of women, and the Bureau has done a great deal in attempting to analyze the effects of these shifts. There is, in fact, many people believe, almost a social revolution going on because so many women who formerly had remained at home during the childbearing years are now moving into the labor force and looking for work.

We are watching this very carefully to analyze what is going on because we feel that we should be watching developments for all components of the labor force, including women.

Representative Bolling. What that amounts to is that women are getting more attached to a role in the labor force.

Ms. NORWOOD. That is right, and when one looks at the labor force participation rates for women of particular age groups, you can see what seem to me like startling changes. I think that the women in middle-age groups are in the labor force in much greater proportion than ever before and much greater proportion than anyone had ever anticipated several years ago.

There has been really a remarkable shift, and that is one of the things which I believe is showing up in labor force developments. It is one of the things which we must anticipate will be continuing.

Representative BOLLING. I will continue a little while until Senator Proxmire has had an opportunity to examine the testimony.

Over the past year the labor force has expanded by about 1.8 million, with adult women making up about 60 percent of this expansion.

Does this reflect the possibility that women who were formerly classified as discouraged workers are now reentering the labor force at a faster rate than males and teenagers who are considered discouraged workers?

Are women less affected by discouragement than the males and the teenagers? Is there any sign of that?

Ms. NORWOOD. I don't think we have any information that gets at the discouragement of women in terms of hard facts.

Perhaps Mr. Stein is aware of it more than I am.

Mr. STEIN. Well, I think the increase over the year for women has been pretty much in line with long-term historical trends.

Representative BOLLING. So there's no indication that once women get used to the idea that they're going to be in the labor force, that they have a greater tenacity in trying to stay in it than other parts of the labor force?

Ms. NORWOOD. Mr. Chairman, I don't think there are any more social or psychological characteristics that are more characteristic of women than of men. I think that this is related in large part to financial and economic problems. We do see a vast increase in the number of households with wives working. We also see a very large increase in absolute numbers at least in the number of female-headed households, and I think that these changes have very important social implications, but I don't think it is because of particular personal characteristics. It is the situation in which many women are finding themselves.

Representative BOLLING. The GNP has been rising fairly strongly for the past three quarters, and unemployment has declined. This seems to have created a notion in some quarters that the economy may be approaching a dangerous boom phase which will bring with it a serious new inflationary pressure. Others argue that we are still far, far from full capacity utilization, and that this fear of a new burst of inflation is misplaced.

Is there anything in recent wholesale price developments which indicates that a new round of price increases is building up which will later be passed through to the consumer level?

Ms. NORWOOD. I don't see anything in wholesale price data that indicates that kind of change. If one looks at the stage of processing indexes, you see that for the month of May, crude materials prices were unchanged, that intermediate and producer-finished products went up very slightly, and that consumer finished goods, less food, were unchanged. That does not seem to indicate that, at least as of now, there has been any sizable explosion of price increases.

Representative **Bolling.** Thank you.

One more before I turn to Senator Proxmire.

Can you give us this morning or for the record your latest information on the unemployment rate for other major industrial countries, adjusted to make them comparable to the U.S. figures?

Ms. **Norwood.** Yes, I can. I have that with me. The unemployment rate for April in the United States, of course, was 7.5 percent. In Canada it was 7.4 percent. In France it was 4.8. In Germany, 3.8, and in the United Kingdom, 5.8. We also have some information for earlier months for Japan and Italy and Sweden, and I would be glad to submit the tables for the record.

Representative **Bolling.** Without objection, they will be included in the record.

[The information referred to follows:]

TABLE 1.—UNEMPLOYMENT RATES IN 8 COUNTRIES, ADJUSTED TO U.S. CONCEPTS, SEASONALLY ADJUSTED, 1970-76

Period	United States	Canada[1]	Japan	France	Germany	Italy[2]	Sweden	United Kingdom[3]
1970	4.9	5.7	1.2	2.8	0.5	3.5	1.5	3.0
1971	5.9	6.2	1.3	3.0	0.7	3.5	2.6	3.8
1972	5.6	6.3	1.4	3.0	0.9	4.0	2.7	4.2
1973	4.9	5.6	1.3	2.9	1.0	3.8	2.5	2.9
1974	5.6	5.4	1.4	3.1	2.1	3.1	2.0	2.9
1975	8.5	6.9	1.9	[4] 4.3	[4] 3.9	3.6	1.6	[4] 4.9
I	8.1	6.7	1.7	3.9	3.2	3.2	1.6	3.7
II	8.7	7.0	1.8	4.2	4.0	4.0	1.7	4.5
III	8.6	7.1	1.9	4.5	4.4	3.7	1.6	5.7
IV	8.5	7.1	2.2	4.7	4.3	3.9	1.7	6.0
1976:								
I	7.6	6.8	----------	4.8	4.0	3.6	1.6	6.2
January	7.8	6.6	2.1	4.7	4.0	3.6	1.8	6.5
February	7.6	7.0	2.1	4.7	4.0	----------	1.5	6.1
March	7.5	6.9	----------	4.8	3.9	----------	1.6	6.1
April	7.5	7.4	----------	4.8	3.8	----------	----------	5.8

[1] Revised on the basis of results from the revised labor force survey.

[2] Quarterly rates are for the 1st month of the quarter.

[3] Great Britain.

[4] Preliminary.

Note: Quarterly and monthly figures for France, Germany, Italy, and Great Britain are calculated by applying annua adjustment factors to current published data, and therefore should be viewed as only approximate indicators of unemployment under U.S. concepts. Published data for Canada, Japan, and Sweden require little or no adjustment.

Source: Bureau of Labor Statistics, U.S. Department of Labor, June 1976.

TABLE 2.—LABOR FORCE, EMPLOYMENT, AND UNEMPLOYMENT IN 8 COUNTRIES, ADJUSTED TO U.S. CONCEPTS, 1970–75

[In thousands]

Year	United States	Canada[1]	Japan	France	Germany	Italy	Sweden	United Kingdom[2]
Civilian labor force:								
1970	82, 715	8, 399	50, 730	21, 040	26, 240	19, 090	3, 884	24, 470
1971	84, 113	8, 644	51, 030	21, 270	26, 350	19, 010	3, 932	24, 220
1972	86, 542	8, 920	51, 140	21, 490	26, 310	18, 800	3, 939	24, 530
1973	88, 714	9, 322	52, 310	21, 710	26, 420	18, 930	3, 952	24, 720
1974	91, 011	9, 706	52, 080	21, 970	26, 230	19, 230	4, 013	24, 810
1975	92, 613	10, 060	52, 070	[3] 21, 930	[3] 25, 960	19, 440	4, 097	[3] 25, 180
Employment:								
1970	78, 627	7, 919	50, 140	20, 460	26, 100	18, 430	3, 830	23, 730
1971	79, 120	8, 106	50, 390	20, 640	26, 170	18, 350	3, 831	23, 300
1972	81, 702	8, 363	50, 410	20, 840	26, 070	18, 050	3, 832	23, 490
1973	84, 409	8, 802	51, 650	21, 090	26, 160	18, 210	3, 854	23, 990
1974	85, 936	9, 185	51, 350	21, 290	25, 680	18, 630	3, 933	24, 080
1975	84, 783	9, 363	51, 080	[3] 20, 990	[3] 24, 940	18, 730	4, 030	[3] 23, 950
Unemployment:								
1970	4, 088	480	590	580	140	660	59	740
1971	4, 993	538	640	630	180	660	101	920
1972	4, 840	557	730	650	240	750	107	1, 040
1973	4, 304	520	670	620	260	720	98	730
1974	5, 076	521	730	680	550	600	80	730
1975	7, 830	697	990	[3] 940	[3] 1, 020	710	67	[3] 1, 230

[1] Revised on the basis of results from the revised labor force survey.
[2] Great Britain only.
[3] Estimates based on less than full year data.

Source: Bureau of Labor statistics, U.S. Department of Labor, June 1976.

Representative BOLLING. Now, those are made comparable.

Ms. NORWOOD. Yes, to the extent that it is possible to do so, we have adjusted the concepts and the data so that they are for comparable definitions.

Representative BOLLING. Just so I will understand it completely, what are the factors that are impossible to deal with in making it comparable? I mean, what is the problem in making them quite comparable?

Ms. NORWOOD. The problem usually deals with the difficulty of definition. If we define unemployment as including people of certain age groups, and other countries define them as including people of other age groups, one has to find the data that can be used to make this adjustment. In addition, of course, other countries frequently have different kinds of surveys. We base our unemployment estimates on our household survey. Many countries use employment office data, and there are differences in concept in the way they are collected.

I would be glad to submit a short statement for the record on what these problems are.

Representative BOLLING. I would appreciate it if you would.

[The statement referred to follows:]

PROBLEMS INVOLVED IN MAKING INTERNATIONAL UNEMPLOYMENT COMPARISONS

Since the early 1960's, the Bureau of Labor Statistics has published unemployment rates adjusted to U.S. concepts for major industrial countries. The basic labor force statistics of these countries, with the exception of Canada, require some adjustment to bring them into closer comparability with U.S. data. The accuracy of the adjustments depends on the availability of relevant information, and, in some instances, it is necessary to make estimates besed on incomplete data. Therefore, it is possible to achieve only approximate comparability among countries. Nevertheless, the adjusted figures provide a better basis for international comparisons that the figures regularly published by each country.

The incomparability of national figures on unemployment is attributable to two chief causes: (1) differences in the systems for collecting data and (2) differences in concepts or definitions. Once the figures have been made comparable, analysis of them must, of course, take account of the differences among countries in labor market structure.

STATISTICAL SYSTEMS

Two systems for measuring unemployment are used by the countries studied by BLS. The United States, Canada, Japan, Italy, and Sweden depend on periodic (usually monthly) labor force sample surveys, while France, Germany, and Great Britain rely on monthly counts of registrants at employment exchanges. Labor force surveys generally yield the most comprehensive overall statistics since they are designed to cover all persons seeking work, whether or not they register with employment exchanges. Also, changes in legislation and administrative regulations do not affect the continuity of the survey series, but may have a substantial impact on registration data.

Fortunately all countries produce a good deal of supplementary information on unemployment in addition to the official unemployment rate. Such additional sources have been indispensible in adjusting the official data. For example, the three countries which use unemployment registrations as their official source of data also conduct periodic labor force surveys. BLS uses the results of these surveys to obtain adjustment factors to apply to the registered unemployed series. A problem arises from the fact that there is often a long time lag between data collection and survey publication (e.g., the latest published survey for Great Britain is for 1972; for France and Germany, April 1975). Thus, BLS must occasionally make revisions to the comparative estimates when more recent surveys are published.

DIFFERENCES IN DEFINITIONS AND CONCEPTS

Even when the same type of data collection method is used, definitions of unemployment and labor force may differ from country to country. Thus, labor force surveys may differ in regard to treatment of such groups as military personnel, students, unpaid family workers, discouraged workers, and persons on temporary layoff. Other areas of difference include criteria for seeking work, reference periods, age limits, and tests for current availability on the part of unemployed persons.

BLS is able to make adjustments of foreign country survey data to U.S. concepts for many of the differences noted above. Instead of adjusting the data of all countries to the U.S. lower age limit of 16, the foreign limits have been adapted to the age at which compulsory schooling ends. This is done because youths in several countries complete their education and enter the labor force on a full-time basis at earlier ages (i.e., 14 or 15) than in the United States.

There are certain conceptual differences for which it is not possible to make adjustments. For example, no adjustment can be made for the differences in the amount of time allowed for jobseeking activities. Since 1967, the U.S. survey has required active jobseeking within the past four weeks for a person to be counted as unemployed. Prior to 1967, the U.S. time period was vague and was probably interpreted by some jobseekers to refer only to the survey week. Special studies indicated that the effect of the change in definition in 1967 resulted in only a small increase in the number of persons enumerated as unemployed. In several foreign countries, the reference period for unemployment appears to be limited to the survey week. However, in practice, the reference period may be longer than the survey week because persons awaiting the results of previous job applications are generally counted as unemployed.

In the United States, unemployed persons must be currently available to begin work (except for minor illness) and actively seeking work. There are questions in the survey which test a person's current availability and jobseeking activity. Most other countries mention current availability and active jobseeking as requirements for classification as unemployed, but do not have specific tests of these points in their survey questionnaires. A few countries probe only into the current availability of students who say they are looking for work. In most cases, BLS cannot make adjustments for differences in the degree of probing in survey questionnaires. However, recent changes in a number of countries indicate a trend toward more specific questions and more probing into labor force status.

Representative BOLLING. Quite a long time ago, when I was chairman of the Subcommittee on Economic Statistics of this committee, I went to a couple of other developed countries to see if I could figure out where we stood in relation to the adequacy of our statistics to other countries. At that time it seemed to me relatively clear that in most cases we did better than most other countries. That was rather a long time ago. I wonder what the situation is now, if that is an appropriate question.

How good are the statistics of the other developed countries?

Ms. NORWOOD. It is rather hard to pass a value judgment on other countries' statistics, Mr. Chairman, but I think that all countries have over the past 2 years been giving a great deal more attention to the quality of their statistical outlook, but largely, of course, because of the serious economic problems.

Many countries have a very extensive and very sophisticated system. I was in Japan a few years ago and consulted with most of the members of the statistical agencies in Japan, and found that in many cases they had more data than we in the United States have. The Japanese, for example, have a monthly consumer expenditure survey. The Bureau of Labor Statistics has been attempting to develop proposals for just an annual consumer expenditure survey.

Many of the countries of the world, I think, put more of their resources into statistical data and data collection.

Representative BOLLING. Thank you very much.

Senator Proxmire.

Senator PROXMIRE. I must say I've never seen the Commissioner looking better.

Ms. NORWOOD. Thank you.

Senator PROXMIRE. It seems to me just unadulterated good news this morning if I read this correctly—and correct me if I'm wrong. We have unemployment down a significant amount, 0.2 percent. Is that correct?

Ms. NORWOOD. Yes.

Senator PROXMIRE. Employment up 300,000. That is not as much as last month. Last month it was up 700,000 as I recall. Still, a course in the right direction and a significant increase. That is seasonally adjusted, I take it.

Ms. NORWOOD. Yes.

Senator PROXMIRE. And our moderated inflation situation.

Ms. NORWOOD. There was a price index——

Senator PROXMIRE. Of 0.3 percent in the wholesale price index in the past month, seasonally adjusted, so 3.6 percent annually is certainly better than we've had in the past.

How about the dispersion of this increased employment. We've had steady good reports of 70 percent, 80 percent increases of the industries reporting increases in employment. Does that continue?

Ms. NORWOOD. Yes; at 60 percent.

Senator PROXMIRE. At 60 percent. Well, I presume as we move along in the cycle we cannot expect it to be as high as it was in the earlier phase. We have had reports of some serious underlying problems of inflation with respect to raw materials, for example.

How did that show up in the latest statistics?

Ms. NORWOOD. Well, Senator, I think the first thing that has to be understood is that many price increases are announced, and then take effect at a particular date. Many of those have already taken effect and took effect before the survey week, and therefore are included in the wholesale price index. There may be more which have not yet been in effect, and therefore are not in the index.

However, I think that we have included most of the ones which have been announced.

Perhaps Mr. Layng has some further information on that.

Mr. LAYNG. I think there are a few in the metals area that will be going into the index for June.

Senator PROXMIRE. The reason I asked the question, I wonder if there is a raw material index. Is that available, and would that indicate that inflation is moderating or does that indicate inflation is getting worse?

As I understand it, in March and April it was a little disturbing. It indicated a sharper increase than in the past; is that increasing?

Ms. NORWOOD. No; the crude materials stage of processing index is unchanged this month as compared to a 2.6-percent increase in April.

Senator PROXMIRE. Now, how about the participation rate? You report that total nonagricultural employment, as reported in the household survey, reached new alltime highs. Then you go on to say the employment-population ratio moved up to 57.1 percent, its highest in 18 months. That puzzles me because I understand, as you say, the portion of people in the work force is higher at this time, or it's the same, 62.1.

Ms. NORWOOD. Yes.

Senator PROXMIRE. And on the other hand, in January 1975, unemployment was 7.9 percent, substantially higher than it is now, and yet you have a higher employment-population ratio. How do you explain that? It doesn't seem to be statistically logical?

Mr. STEIN. The employment-population ratio reached its peak in January 1974, Senator.

Senator PROXMIRE. 1974.

Mr. STEIN. 1974.

Senator PROXMIRE. I beg your pardon. I stand corrected. That's fine. And at that time the unemployment level must have been substantially lower.

Ms. NORWOOD. Right.

Senator PROXMIRE. Very good.

Now, I do have another question that I'd like to ask about, with respect to long-term unemployment.

We've got a study the staff has shown me from the Library of Congress on the long-term unemployment that indicates that long-term unemployment is heavily concentrated among family heads, where I presume it would be the most painful and the most serious family problem. For example, 60 percent of those unemployed 6 months or more are adults between the ages of 25 and 54, and over half of those are heads of families. In contrast, only 45 percent of that total unemployed fall within that age group.

Now, that suggests that this is a particular problem, as I say, of adults in that period and heads of families.

Would there be any reason to suppose that the characteristics of the long term unemployed have shifted since then? That was the data of October 1975.

Ms. NORWOOD. I don't think we have any later data.

Senator PROXMIRE. Well, was there any reason to think that the data might have changed in the meanwhile?

Mr. STEIN. I don't think there would be any reason to expect any change.

Senator PROXMIRE. Well, what explanation is there for this unfortunate fact, that you have the long term, the toughest unemployment problem visited upon people of responsibility for the family?

Mr. STEIN. Well, it's partly the question of people who are heads of households being firmly attached to the labor force and hanging in there until they finally do find employment. In other words——

Senator PROXMIRE. And others just drop out of the work force, if they're young, they're single——

Mr. STEIN. If they're young, if they have parents who are working, they have at least an option.

Senator PROXMIRE. Any other possible explanation for that, because it seems to be a disturbing situation.

Ms. NORWOOD. Well, of course, part of it is, of course, it is a small amount, but I think this is probably more true of female headed households, the women who headed households who generally have lower skills, and therefore have a harder time finding work.

Senator PROXMIRE. Thank you very much, Mr. Chairman.

Representative BOLLING. Mr. Brown.

Representative BROWN of Ohio. Thank you, Mr. Chairman.

I, too, am sorry that Mr. Shiskin is ill. but you tell him that we look upon your appearance as a not unwelcome change.

Ms. NORWOOD. Thank you.

Representative BROWN of Ohio. Let me ask if the categories of change you noted, adult women have had a sharper drop in unemployment than other categories, if the pattern of the change in categories of improvement, are following the classic patterns of recovery from recession.

Do you understand what I'm getting at? The idea that middle-aged males or heads of households are returned to their skilled jobs perhaps comes first, then after that perhaps come the women who are maybe less skilled, et cetera. But we really don't add to the work force from the unskilled category until the recovery is really full blown and we get to the need for additional employees to be trained.

Now, is the pattern followed in the reduction of unemployment following the usual patterns in a recession?

Ms. NORWOOD. I think that it is. As you know, last month and the month before there were improvements. Last month in particular, the improvements were for the adult male. This month the improvement is for adult women.

Representative BROWN of Ohio. But the improvement for—the unemployment for adult men is——

Ms. NORWOOD. It is 5.6 percent.

Representative Brown of Ohio [continuing]. The lowest, unless we include household heads and married men, and I guess those are more precise categories within the whole adult man category. So the head of the household who is likely to be the major breadwinner in that household, and therefore the person who, by definition, is usually the employed person, is the lowest.

Ms. Norwood. Yes.

Representative Brown of Ohio. Except for married men, who I guess also qualify as head of household with dependents.

Ms. Norwood. That is right. The unemployment rate for household heads is 4.8 percent, and of course, for male household heads, the rate is somewhat lower than for female household heads.

Representative Brown of Ohio. Is the 4.8 percent in that category a usual bottoming out figure for full employment, or would that normally be lower in a time of full employment?

Ms. Norwood. It would normally be lower.

Representative Brown of Ohio. Where would it be?

Ms. Norwood. Well, the prerecession peak for that series in October of 1973, the rate was 2.7 percent.

Representative Brown of Ohio. So we still have improvement to anticipate there if recovery continues, is that correct?

Ms. Norwood. Yes.

Representative Brown of Ohio. And where were the prerecession peaks or low points, I guess, in unemployment in the other categories? Can you give us those? I don't think I have those in the statistics before me.

Ms. Norwood. Yes, indeed. For the unemployment, total unemployment rate, it was October 1973. For adult males it was November.

Representative Brown of Ohio. No, I didn't mean the dates.

Ms. Norwood. The rates, I'm sorry.

Well, adult males——

Representative Brown of Ohio. Could you just go down the list, all workers, adult men and adult women and so forth, and see sort of—what I'm after is where we are headed in terms of targets on these.

Ms. Norwood. Let me list the prerecession peak rates. The total is 4.7. Adult males is 3.1. Adult females, 4.5; teenagers of both sexes, 13.8; household heads, 2.7. I have some finer breaks of those if you want.

Representative Brown of Ohio. You didn't give me the break on white and black.

Ms. Norwood. All right. Black was 8.5 percent, and whites 4.2 percent.

Representative Brown of Ohio. All right. And the married men and full-time workers——

Ms. Norwood. I don't have that here. Do you have that, Mr. Stein?

The prerecession low point was 2.1 percent for married men and 4.1 percent for full-time workers.

Representative Brown of Ohio. But we're talking about the fall of 1973, the previous peak period, that is, just previous to the recession.

Ms. Norwood. That's right.

Representative Brown of Ohio. And obviously our ambition would be to get unemployment below 4.7 for all workers, but the reason I sought those figures is because I wanted to point out that we do seem to have, to varying degrees, endemic unemployment in certain parts of the economy or certain parts of the population, even though the total employment would be considerably lower than it is now, and of course, that concentrates in the blacks, the teenagers, and so forth, and these are the last areas to recover, is that correct? And they don't recover all that much.

Ms. NORWOOD. Well, of course, the spread among the groups tends to narrow during a recession, and then to broaden as they recover. So, for example, the unemployment rate of men and of women is closer during a recession as the unemployment rate of men rises, and then that decreases as recovery develops, as the spread increases.

Representative BROWN of Ohio. Between unemployment of men and of women?

Ms. NORWOOD. Yes.

Representative BROWN of Ohio. Why is that? Is it because more women come into the work force as more jobs are available?

Ms. NORWOOD. Well, it's because the unemployment rate of women, traditionally, in good times as well as in bad times is higher than the unemployment rate for men. There are lots of reasons for that.

Representative BROWN of Ohio. But why does the spread increase as there is a recovery?

Ms. NORWOOD. Because of what is happening, really, to the unemployment rate for males, to which we are making this comparison.

During a period of recession, in the last recession for example, adult males were very much affected. Many of them were job losers. As the recovery proceeds, and many of them are reemployed, their unemployment rate declines. It is true, of course, that women and blacks also lost jobs, but in relative terms, in the past recession, males who were the largest part of the labor force in the industries which were most severely affected, formed a larger proportion of the job loser category than did women.

Representative BROWN of Ohio. Well, you are suggesting, then, that my assumption is not correct, and that is that as we begin to exhaust the supply of head of household adult men, or all adult men, that women don't come into the labor force in such numbers as to increase the spread of unemployment between men and women, because women are increasing their job search during good times.

Do you follow what I'm saying?

Ms. NORWOOD. Not quite, I'm afraid.

Representative BROWN of Ohio. Well, it seems to me that when you have good times, you eventually exhaust, or you first exhaust the availability of adult males, adult white males, I would assume, with certain skills, but nevertheless, the category that you call adult men. At that time, the other impacts that occur when there is low unemployment, such as when inflation adds pressure to the household budget, I am suggesting that women at that point may start looking for jobs in increasing numbers, and be less successful in finding jobs then, more than men are successful at that time in finding jobs, and therefore that explains why the spread between unemployed men and unemployed women increases in good times.

Ms. NORWOOD. That is certainly a possible part of the explanation, but I think only part of the explanation.

Representative BROWN of Ohio. The statistics could or would demonstrate whether that is true or not.

Ms. NORWOOD. The statistics would demonstrate the facts of the unemployment. The causes of the unemployment require some further analysis below the statistics. The fact remains that there has been an increasing trend toward more multiearner families. I am not sure that it is only in response to the inflation situation—as you indicated——

Representative BROWN of Ohio. The unavailability of adult men for employment.

Ms. NORWOOD. I don't think it is entirely the result of that. Clearly that is an important element, but I think there are many social forces at work here in terms of women's attitudes.

Representative BROWN of Ohio. Well, let me just ask you a couple of other questions about the breakdown.

Do you, within the bowels of BLS, have additional breakdowns beyond that which you have provided to us here, and the statistics which you have given us, the all workers, adult men, adult women, teenagers, white, black, and other household heads, married men, and full-time workers?

Ms. NORWOOD. Yes. We do have some. We can take household heads, for example, and break them down into male and female, and then we can break those down into those who are heads of household with relatives present, without relatives present, so we do have some further information, and we would be glad to supply that if you would like it for the record.[1]

Representative BROWN of Ohio. I'd like it for the record, but I would also like it for personal use, to try to draft some personal legislation we have been working on.

And do you have available the statistics on employment broken down by the size of business where people are employed in these categories?

Ms. NORWOOD. No, we do not.

Representative BROWN of Ohio. And I gather you do have teenagers divided into white, black, male, and female. I think I have seen that statistic elsewhere.

Ms. NORWOOD. Yes, we do.

Representative BROWN of Ohio. And do you have these statistics broken down by the geographical areas in detail or in the further detail which we have suggested?

Ms. NORWOOD. No, we do not. Our local area data are much more restricted, largely because the samples are much smaller, and so we do not have nearly as much demographic detail for States and some of the larger standard metropolitan statistical areas as we do for the country as a whole.

Representative BROWN of Ohio. Do all of the States have statistics broken down by counties and by standard metropolitan statistical areas and outlying areas of the State, and if not, by standard metropolitan statistical areas?

Ms. NORWOOD. The determination of the area for which the unemployment rate is calculated depends in large part, on the program for which the unemployment rate is being used. There are, as you know, many laws which require the use of the local unemployment rates in particular the areas that are defined in the law, may be different. The actual unemployment rates are generally for a State, and usually for the largest standard metropolitan statistical areas and then for the balance of the State. There are, of course, statistics for some counties.

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[1] These data have appeared in table A-2 of the Employment Situation press release for the past 3 months.

Representative BROWN of Ohio. I want to be clear, but it is not necessarily all metropolitan statistical areas, is that right?

Ms. NORWOOD. That's right.

Representative BROWN of Ohio. So it's the largest metropolitan statistical areas and the balance of the State, that is the common statistic that runs through the whole country.

Ms. NORWOOD. The higher the level of aggregation, the more reliable the rate.

Representative BROWN of Ohio. I have no further questions, Mr. Chairman. I may want to ask some detailed questions of you, but I will do it in writing.

Thank you.

Representative BOLLING. Thank you, Mr. Brown.

We thank you, Ms. Norwood, and gentlemen.

With that, the committee stands adjourned.

[Whereupon, at 11:58 a.m., the committee adjourned, subject to the call of the Chair.]

EMPLOYMENT-UNEMPLOYMENT

FRIDAY, JULY 2, 1976

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

The committee met, pursuant to notice, at 11:05 a.m., in room 1202, Dirksen Senate Office Building, Hon. William Proxmire (member of the committee) presiding.

Present: Senator Proxmire.

Also present: John R. Stark, executive director; Lucy A. Falcone, Jerry J. Jasinowski, and Courtenay M. Slater, professional staff members; George D. Krumbhaar, Jr., minority counsel; and M. Catherine Miller and Mark R. Policinski, minority economists.

OPENING STATEMENT OF SENATOR PROXMIRE

Senator PROXMIRE. The committee will come to order.

Today, we welcome Janet Norwood, Acting Commissioner of Labor Statistics, to testify before the committee on the June employment and unemployment situation.

During the past 3 weeks, the committee has conducted its midyear review of the economic outlook. In the course of those hearings, the Council of Economic Advisers indicated that they expected the recovery to continue on course and for the unemployment rate to drop below 7 percent by the end of this year.

Just yesterday, Chairman Arthur Burns of the Federal Reserve Board testified that he expected unemployment to drop below 7 percent by the end of the year, and to 6.5 percent next year.

This morning, we hope to discuss with the Commissioner whether the increase in the unemployment rate during June reflects a general weakening of labor markets, which would threaten continuation of recovery, or whether the increase in unemployment among most major groups was due to the difficulty of seasonally adjusting employment and unemployment in June.

Now, it seems to me, Ms. Norwood, that the figure that all of us can clearly understand, regardless of how we feel about seasonal adjustment, is what actually happened to the raw unemployment figures between May and June. We had an increase from 6.3 million unemployed in May to 7.65 million unemployed in June, an increase of over 1.3 million in 1 month. While we all realize that the young people coming out of high school and coming out of college are responsible to some extent for it, that has been, as I understand it, fully accounted for in your seasonal adjustment, and it still leaves a disheartening interruption in what had seemed a recovery and a clear worsening of the economic situation when we have, even seasonally adjusted, a substantial increase in unemployment.

Last year, the unemployment rate dropped substantially in June, going from 9.2 percent to 8.6 percent. At that time, the Bureau of Labor Statistics cautioned that this improvement was due in large part to the difficulties of seasonally adjusting teenage unemployment during a period of overall high unemployment. In an attempt to correct this problem in January of this year, the Bureau of Labor Statistics announced a new formula for seasonally adjusting teenage employment and unemployment.

June is the first month that is strongly affected by teenagers entering the labor force in large numbers.

I trust that Commissioner Norwood will be able to give the committee an analysis of the effect of these new seasonal adjustment procedures on the June numbers. The increases in unemployment during June also raise questions as to whether the incorporation of 1975's historically high unemployment experience into the seasonal adjustment process did, in fact, artificially lower the unemployment rate at too rapid a pace in the first months of 1976. If so, the April and June unemployment rate of 7.5 percent may be a much more accurate reflection of unemployment than the 7.3 percent reported last month.

So we have a serious problem here to try to unravel, or at least to get clear understanding this morning, Commissioner Norwood. Please proceed with your statement, and then we will go to questions.

STATEMENT OF HON. JANET L. NORWOOD, ACTING COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR, ACCOMPANIED BY ROBERT L. STEIN, ASSISTANT COMMISSIONER, OFFICE OF CURRENT EMPLOYMENT ANALYSIS; AND JOHN F. EARLY, CHIEF, DIVISION OF INDUSTRIAL PRICES

Ms. NORWOOD. Thank you, Mr. Chairman.

I am pleased to be here this morning to discuss with you the data on the employment situation released this morning at 10 a.m. by the Bureau of Labor Statistics.

The unemployment rate rose from 7.3 to 7.5 percent from May to June, returning to the level which had prevailed during the February-April period. Total employment edged down, following a 6-month period of unusually rapid expansion. Nonfarm payroll employment was virtually unchanged as gains in service-producing industries were about offset by job losses in the goods-producing sector.

The rate of unemployment has been at, or close to, 7.5 percent since February. Although down substantially from its May 1975 peak of 8.9 percent, the rate is still equal to the highest level reached in the 1958 recession. Adult male unemployment, which had been declining through April, has moved up over the past 2 months. Increases were also recorded for adult women, household heads, and black workers. The average, mean duration of unemployment also rose this month.

Teenage unemployment, which has been seasonally adjusted by an additive method since January 1976, was unchanged in June. Both the official rate, which incorporates this additive procedure for the teenage unemployment component, and the all-multiplicative procedure previously in use, have shown virtually the same total unemployment rate since January. As table 1 shows, the all-multiplicative procedure would have produced a rate of 7.4 percent for June.

Although unchanged from May to June, teenage unemployment remains very high. Teenagers, who comprise only about one-tenth of the labor force, account for nearly one-quarter of the unemployed. Their high jobless rates—18.4 percent in June 1976—result in part from a lack of skills and experience, the intermittent attachment of students to the labor force, and the mobility of recent labor force entrants trying to find a proper niche in the job market.

Unemployment rates generally decline through the entire age spectrum. The rate for 16- and 17-year-olds in June, 21.5 percent, was about four times the rate for persons 25 years or older. Persons 18 and 19 years of age, who are more likely to be in the full-time labor force, had a jobless rate, 15.6 percent, higher than the rates for both the 20 to 24-year-old, 11.4 percent, and the 25-year and over age groups, 5.5 percent.

Total employment, as measured by the household survey, fell by 200,000 in June after reaching an all-time high in May. In the 6 months between November and May, total employment expanded by 2.5 million and the employment-population ratio advanced by 1.2 percentage points.

During the period of rapid employment expansion, adult men and women each accounted for about two-fifths of the gains, and teenagers the remainder. Between May and June, however, only adult women continued to record significant employment growth and their rate of labor force participation advanced to a new high of 47.1 percent.

As measured by the establishment survey, 79 million nonfarm payroll jobs were reported in June—2.6 million more than at the recession low a year ago. However, the business survey has shown no change since April. Less than half, 40 percent, of the 172 industries included in the BLS diffusion index showed employment increases over the month.

It has been our custom, Mr. Chairman, to call to the attention of the committee new statistical series inaugurated by the Bureau or important changes and improvements in existing series. I should like, today, to call your attention to our new employment cost index and to a change in the BLS productivity series.

The Employment Cost Index is a base-weighted index of price of labor, similar in some respects to the Consumer Price Index. The first stage of this new measure, the change in wage and salary rates, issued a few weeks ago showed a 1.8 percent rise in the fourth quarter of 1975 and a 1.9 percent rise in the first quarter of 1976 for workers in the private nonfarm economy, except households. Differences in wage movements were recorded by occupational group, major industry division, region, and for the union-nonunion sectors of the economy. Plans are underway to add outlays for employee benefits to the index next year. Following the inclusion of benefits, the Employment Cost Index will be expanded gradually to other industries, resulting in an index of changes in all compensation, wages and salaries plus benefits, covering the total civilian economy.

The Bureau is also making some changes in its quarterly labor productivity series. These changes affect both the coverage of the series and the timing of the release. I have a short explanation of these changes which, with your permission I would like to submit for the record.

I would like to introduce my colleagues, John Early on my right, who is Chief of the Division of Industrial Prices in the Bureau, and Robert Stein, whom you have met before, who is our unemployment expert. My colleagues and I would be glad to try to answer any of your questions.

Senator PROXMIRE. All right. Without objection, we will be happy to have that explanation printed in full in the record. Your very helpful tables that you have prepared and the press release will also be printed in the record.

[The explanation referred to, together with the tables and press release follow:]

MODIFICATIONS IN BLS PRODUCTIVITY SERIES FOR THE PRIVATE ECONOMY

For many years BLS has been publishing quarterly labor productivity series, i.e., output per hour of all persons, for the total private economy, the nonfarm, manufacturing, and nonfinancial corporate sectors. The output measures is based on national income and product accounts data which presents some problems when used directly for productivity measurement purposes. In some cases the measure of output in the accounts is based on a labor input measure. In other cases, there is no corresponding measure of labor input available to relate to the measure of output. Finally, there are some inconsistencies in the treatment of statistical discrepancy—the difference between GNP as measured from the product side versus the income side of the accounts.

BLS measures now exclude general government because of the first problem and the Bureau is planning to exclude "households and nonprofit institutions" from the measures for the same reason. The output of households and institutions is compensation of employees in these sectors and in real terms the change in output is the change in employment. When used in a productivity measure, it implies zero productivity change.

Because of the second problem—no corresponding labor input measure—BLS now excludes the output of Rest-of-world from the measures and limits them to gross domestic product per hour. Since a similar situation exists with owner-occupied housing, we plan to exclude that component as well. The resultant measure would cover the nonresidential private business sector.

Presently the measures for the total private economy and the nonfarm sector include statistical discrepancy, but the farm and manufacturing measures do not. The Bureau of Economic Analysis is planning to discontinue the nonfarm measure that includes statistical discrepancy, and it will publish the measure excluding statistical discrepancy 2 months after the reference quarter (instead of one month as it presently does). We plan to follow the same procedure by publishing an initial measure for the private business sector one month after the reference quarter and a revised measure for the private business sector with new measures for the nonfarm and nonfinancial corporate sectors, two months after the quarter. We plan to incorporate these improvements in the next press release scheduled for July 26.

TABLE 1.—UNEMPLOYMENT RATE BY ALTERNATE SEASONAL ADJUSTMENT METHODS

Month	Unadjusted rate	Official adjusted rate	Alternative age-sex procedures		Other aggregations (all multiplicative)					Direct adjustments			Composite		Range (col. 2–14)
			All unemployment multiplicative	All unemployment additive	Duration	Full time/part time	Reasons	Occupation	Industry	Rate	Level	Residual	No. 1	No. 2	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
1975															
January	9.0	7.9	8.0	8.3	8.1	7.9	7.8	7.9	7.8	8.1	8.1	8.4	8.0	8.0	0.6
February	9.1	8.0	8.1	8.4	7.9	8.0	7.8	7.8	8.0	8.0	8.1	8.4	8.0	8.0	.6
March	9.1	8.5	8.5	8.7	8.4	8.4	8.3	8.4	8.4	8.5	8.5	8.7	8.5	8.4	.4
April	8.6	8.6	8.7	8.6	8.5	8.6	8.6	8.7	8.7	8.8	8.8	8.7	8.6	8.6	.3
May	8.3	8.9	9.0	8.7	8.8	8.8	9.0	9.1	9.0	9.3	9.2	8.7	8.8	8.9	.6
June	9.1	8.7	8.6	8.7	8.6	8.7	8.7	8.6	8.7	8.2	8.2	8.5	8.6	8.6	.5
July	8.7	8.7	8.6	8.6	8.6	8.7	8.8	8.6	8.6	8.5	8.4	8.5	8.7	8.6	.4
August	8.2	8.5	8.5	8.4	8.7	8.5	8.7	8.7	8.6	8.5	8.5	8.4	8.6	8.6	.3
September	8.1	8.6	8.6	8.4	8.8	8.6	8.8	8.6	8.5	8.5	8.5	8.4	8.6	8.6	.4
October	7.8	8.6	8.7	8.4	8.8	8.7	8.7	8.5	8.6	8.5	8.6	8.4	8.6	8.6	.4
November	7.8	8.5	8.5	8.2	8.7	8.6	8.6	8.4	8.5	8.5	8.5	8.3	8.5	8.5	.5
December	7.8	8.3	8.4	8.2	8.5	8.3	8.2	8.3	8.4	8.5	8.4	8.2	8.3	8.3	.3

1976														
January	8.8	7.8	7.8	8.2	8.1	7.8	7.7	7.8	7.8	7.9	7.9	8.2	7.9	7.9	.5
February	8.7	7.6	7.7	7.9	7.6	7.6	7.5	7.6	7.7	7.7	7.7	7.9	7.6	7.6	.4
March	8.1	7.5	7.5	7.7	7.3	7.5	7.4	7.5	7.5	7.6	7.5	7.7	7.5	7.5	.4
April	7.4	7.5	7.5	7.4	7.3	7.5	7.5	7.6	7.6	7.6	7.5	7.5	7.5	7.5	.3
May	6.7	7.3	7.3	7.1	7.2	7.2	7.4	7.4	7.4	7.5	7.5	7.2	7.3	7.3	.4
June	8.0	7.5	7.4	7.5	7.5	7.5	7.5	7.4	7.4	7.2	7.2	7.4	7.5	7.5	.3
July															
August															
September															
October															
November															
December															

Source: U.S. Department of Labor, Bureau of Labor Statistics, July 2, 1976.

Note: An explanation of cols. 1 to 14 appears below:

(1) Unemployment rate not seasonally adjusted.

(2) Official rate.—This is the published seasonally adjusted rate. Each of 4 unemployed age-sex components—males and females, 16 to 19, and 20 yr of age and over—is independently adjusted. The teenage unemployment components are adjusted using the additive procedure of the X-11 method, while adults are adjusted using the X-11 multiplicative option. The rate is calculated by aggregating the 4 and dividing them by 12 summed labor force components—these 4 plus 8 employment components, which are the 4 age-sex groups in agriculture and nonagricultural industries. This employment total is also used in the calculation of the labor force base in cols. (3) to (9). The current "implicit" factors for the total unemployment rate are as follows: January, 113.1; February, 113.7; March, 108.1; April, 99.4; May, 93.4; June, 104.5; July, 99.5; August, 96; September, 94.7; October, 89.8; November, 91.4; December, 93.4.

(3) Multiplicative rate.—The 4 basic unemployed age-sex groups—males and females, 16 to 19, and 20 yr and over—are adjusted by the X-11 multiplicative procedure.

(4) Additive rate.—The 4 basic unemployed age-sex groups—males and females, 16 to 19, and 20 yr and over—are adjusted by the X-11 additive procedure.

(5) Duration.—Unemployment total is aggregated from 3 independently adjusted unemployment by duration groups (0 to 4, 5 to 14, 15 plus).

(6) Full-time and part-time.—Unemployment total is aggregated from 6 independently seasonally adjusted unemployment groups, by whether the unemployed are seeking full-time or part-time work for men 20 plus, women 20 plus, and teenagers.

(7) Reasons.—Unemployment total is aggregated from 4 independently seasonally adjusted unemployment levels by reasons for unemployment—job losers, job leavers, new entrants, and reentrants.

(8) Occupation.—Unemployment total is aggregated from independently seasonally adjusted unemployment by the occupation of the last job held. There are 13 unemployed components—12 major occupations plus new entrants to the labor force (no previous work experience).

(9) Industry.—Unemployment total is aggregated from 12 independently adjusted industry and class-of-worker categories, plus new entrants to the labor force.

(10) Unemployment rate adjusted directly.

(11) Unemployment and labor force levels adjusted directly.

(12) Labor force and employment levels adjusted directly, unemployment as a residual and rate then calculated.

(13) Average of (2), (5), (6), (7), and (12).

(14) Average of (2), (5), (6), (7), (8), (9), and (12).

Note: The X-11 method, developed by Julius Shiskin at the Bureau of the Census over the period 1955–65, was used in computing all the seasonally adjusted series described above.

TABLE 2.—EMPLOYMENT-POPULATION RATIOS

Category	Annual averages		Seasonally adjusted estimates								
			January 1974 (cyclical high month)	March 1975 (cyclical low month)	Quarterly averages				Current months		
	1974	1975			III 1975	IV 1975	I 1976	II 1976	April 1976	May 1976	June 1976
Total, all workers	57.8	56.0	58.3	55.9	56.1	56.0	56.5	57.0	57.0	57.1	56.9
Adult males	77.9	74.9	79.0	74.9	74.9	74.5	74.8	75.3	75.5	75.5	75.0
Adult females	42.7	42.3	42.4	42.0	42.5	42.5	43.1	43.5	43.4	43.5	43.7
Teenagers	46.1	43.3	47.5	43.2	43.3	43.0	43.8	44.8	44.8	45.3	44.2

Source: U.S. Department of Labor, Bureau of Labor Statistics, July 2, 1976.

TABLE 3.—RANGE OF UNEMPLOYMENT INDICATORS REFLECTING VALUE JUDGMENTS ABOUT SIGNIFICANCE OF UNEMPLOYMENT

[In percent]

U-1 through U-7	Annual averages		Seasonally adjusted estimates								
			Oct. 1973 (cyclical low month)	May 1975 (cyclical high month)	Quarterly averages				Current months		
	1974	1975			III 1975	IV 1975	I 1976	II 1976	Apr. 1976	May 1976	June 1976
U-1—Persons unemployed 15 weeks or longer as a percent of total civilian labor force	1.0	2.7	0.9	2.7	3.1	3.1	2.7	2.2	2.2	2.1	2.3
U-2—Job losers as a percent of civilian labor force	2.4	4.7	1.7	5.1	5.0	4.6	3.7	3.7	3.7	3.7	3.8
U-3—Unemployed household heads as a percent of the household head labor force	3.3	5.8	2.7	6.1	5.9	5.9	5.0	4.9	4.8	4.8	5.1
U-4—Unemployed full-time job seekers as a percent of the full-time labor force (including those employed part time for economic reasons)	5.1	8.1	4.1	8.5	8.3	8.2	7.1	7.0	7.0	6.8	7.4
U-5—Total unemployed as a percent of civilian labor force (official measure)	5.6	8.5	4.7	8.9	8.6	8.5	7.6	7.4	7.5	7.3	7.5
U-6—Total full-time job seekers plus half part-time job seekers plus half total on part time for economic reasons as a percent of civilian labor force less half part-time labor force	6.9	10.3	5.9	10.9	10.4	10.3	9.3	9.1	9.1	8.9	9.2
U-7—Total full-time job seekers plus half part-time job seekers plus half total on part time for economic reasons plus discouraged workers as a percent of civilian labor force plus discouraged workers less half of part-time labor force	7.7	11.5	[1] 6.6	[1] 12.0	11.6	11.3	10.3	10.0	([2])	([2])	([2])

[1] Uses discouraged worker figure for quarter which includes applicable month.

[2] Not available.

Source: U.S. Department of Labor, Bureau of Labor Statistics, July 2, 1976.

Note: The numerators and denominators (in thousands) for the 2d quarter 1976 rates are as follows: U-1, 2,083/94,546; U-2, 3,528/94,546; U-3, 2,643/53,819; U-4, 5,632/80,176; U-5, 7,014/94,546; U-6, 7,942/87,594; U-7, 8,847/88,499.

TABLE 4.—MEASURES OF PROGRESS TOWARD PREVIOUS CYCLICAL PEAK LEVEL DURING CURRENT ECONOMIC RECOVERY

Series (with latest month available) (1)	Percent decline during 1973–75 recession (2)	Percent of recession decline recovered, trough to date (3)	Percent of previous peak level (4)	Percent change from trough (5)
I. Leading indicators:				
Leading index, trend adjusted (May)	−22.4	95.0	98.9	+27.4
Average workweek (June) [1]	−4.4	50.0	97.8	+2.3
New orders, 1967 dollars (May) [1]	−28.8	66.8	90.4	+27.0
Contracts and orders, 1967 dollars (May) [1]	−29.6	18.8	75.9	+7.9
Housing starts (May) [1]	−58.6	29.5	58.7	+41.7
Stock prices (May)	−43.4	66.4	85.4	−50.8
Corporate profits after taxes, 1972 dollars (1st quarter, 1976, revised)	−35.9	63.0	86.7	+35.3
II. Coincident indicators:				
Nonagricultural payroll employment (June)	−3.2	106.4	100.2	+3.5
Aggregate hours, nonagricultural establishments (May)	−5.0	80.7	99.0	+4.2
Unemployment level (June) [2]	+98.3	27.1	171.7	−13.4
GNP, 1972 dollars (1st quarter, 1976, revised)	−6.6	101.1	100.1	+7.2
Personal income less transfer payments, 1967 dollars (May)	−7.4	77.1	98.3	+6.1
Industrial production (May)	−13.8	75.6	96.6	+12.1
Retail sales, 1967 dollars (May) [1]	−10.0	81.8	98.2	+9.1

[1] Three-month averages have been used for the calculations for this series; for example, the averages of the specific trough month, the previous and following months were compared with the average for the latest 3 months available to obtain the entries in cols. (3) to (5). For other series single months have been used.

[2] The unemployment series tends to move counter to movements in general business activity; that is, the unemployment level tends to rise during recessions and decline during expansions. Col. 3 shows the percent of the increase in unemployment that has been offset.

TABLE 5.—MEASURES OF PROGRESS TOWARD PREVIOUS CYCLICAL PEAK LEVEL AT CORRESPONDING STAGE OF 1958–59 ECONOMIC RECOVERY

Series (1)	Percent decline during 1957–58 recession (2)	Percent of recession decline recovered (3)	Percent of previous peak level (4)	Percent change from trough (5)
Nonagricultural payroll employment	−4.3	115.3	100.7	+5.2
Unemployment level [1]	+102.4	58.0	143.0	−29.4
GNP, 1972 dollars	−3.2	213.1	103.7	+7.1

[1] The unemployment series tends to move counter to movements in general business activity; that is, the unemployment level tends to rise during recessions and decline during expansions. Col. 3 shows the percent of the increase in unemployment that has been offset.

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THE EMPLOYMENT SITUATION: JUNE 1976

Unemployment rose in June, and total employment declined slightly, it was reported today by the Bureau of Labor Statistics of the U. S. Department of Labor. The Nation's overall unemployment rate was 7.5 percent, up from 7.3 percent in May and on a par with rates recorded between February and April.

Total employment--as measured by the monthly survey of households--was 200,000 below the May level. Nonagricultural payroll employment--as measured by the monthly survey of establishments--continued unchanged in June. However, both surveys have shown very large employment gains from 1975 recession lows: 3.4 million for total employment and 2.6 million for nonfarm payroll employment.

Unemployment

The number of unemployed persons increased by 280,000 in June to 7.1 million, seasonally adjusted. The rate of unemployment for all workers in June was 7.5 percent, up from 7.3 percent in May and back to the rates that prevailed from February to April. (See table A-1.)

Unemployment among teenagers changed about in line with seasonal expectations from May to June, as the usual large numbers entered the labor force in search of jobs after the closing of schools. However, on a seasonally adjusted basis, there was an increase among adult men, whose rate of unemployment rose 0.4 percentage point to 6.0 percent. There was also a rise in unemployment among adult women, as their rate moved from 6.8 to 7.1 percent. Unemployment among heads of households, especially among male family heads, increased in June, as did the rates for married men and full-time workers. The jobless rate for black workers rose to 13.3 percent, while the rate for white workers was little changed at 6.8 percent. Over-the-month movements were generally mixed among the major industry and occupational groups, but there were large jobless rate increases for construction workers and blue-collar craft workers. (See table A-2.)

The average duration of unemployment increased by nearly 2 weeks in June to 16.9 weeks, about equal to the high reached last December. The number unemployed 27 weeks and longer rose by 130,000 in June to 1.3 million. (See table A-4.)

Table A. Highlights of the employment situation (seasonally adjusted data)

Selected categories	Quarterly averages					Monthly data		
	1975			1976		1976		
	II	III	IV	I	II	Apr.	May	June
(Thousands of persons)								
Civilian labor force	92,531	93,134	93,153	93,553	94,546	94,439	94,557	94,643
Total employment	84,443	85,138	85,241	86,402	87,532	87,399	87,697	87,500
Adult men	47,286	47,551	47,540	47,998	48,504	48,524	48,596	48,391
Adult women	30,129	30,537	30,665	31,234	31,677	31,523	31,664	31,845
Teenagers	7,029	7,050	7,036	7,169	7,351	7,352	7,437	7,264
Unemployment	8,087	7,997	7,912	7,151	7,014	7,040	6,860	7,143
(Percent of labor force)								
Unemployment rates:								
All workers	8.7	8.6	8.5	7.6	7.4	7.5	7.3	7.5
Adult men	7.0	7.0	7.0	5.7	5.7	5.4	5.6	6.0
Adult women	8.4	7.9	7.9	7.4	7.1	7.3	6.8	7.1
Teenagers	20.2	20.2	19.5	19.4	18.7	19.2	18.5	18.4
White	8.0	7.9	7.8	6.9	6.7	6.7	6.6	6.8
Black and other	14.1	14.1	14.0	13.1	12.8	13.0	12.2	13.3
Household heads	6.0	5.9	5.9	5.0	4.9	4.8	4.8	5.1
Married men	5.5	5.4	5.1	4.1	4.1	3.9	4.0	4.4
Full-time workers	8.4	8.3	8.2	7.1	7.0	7.0	6.8	7.4
(Weeks)								
Average duration of unemployment	13.8	15.6	16.5	16.3	15.8	15.7	15.0	16.9
(Thousands of persons)								
Nonfarm payroll employment	76,438	77,004	77,642	78,392	78,972p	78,963	78,964p	78,988p
Goods-producing industries	22,300	22,414	22,690	22,943	23,118p	23,144	23,136p	23,075p
Service-producing industries	54,138	54,590	54,952	55,450	55,853p	55,819	55,828p	55,913p
(Hours of work)								
Average weekly hours:								
Total private nonfarm	35.9	36.1	36.3	36.4	36.2p	36.1	36.3p	36.1p
Manufacturing	39.1	39.6	40.0	40.3	39.9p	39.4	40.2p	40.2p
Manufacturing overtime	2.4	2.7	2.9	3.1	2.9p	2.5	3.2p	3.1p
(1967=100)								
Hourly Earnings Index, private nonfarm:								
In current dollars	170.7	174.3	177.8	180.6	183.4p	182.2	183.7p	184.2p
In constant dollars	107.0	107.1	107.5	107.9	N.A.	108.3	108.5p	N.A.

p= preliminary.

N.A.=not available.

The number of persons working part time for economic reasons--full-time workers who are on part-time schedules due to such reasons as slack work or the inability to find full-time work--declined by 300,000 in June to 3.1 million, after fluctuating between 3.2 and 3.4 million since last summer. (See table A-3.)

Total Employment and the Labor Force

Total employment edged down in June, following increases totaling 1 million in the prior 2 months. The May-June change was characterized by continuing strong gains among adult women, offset by declines among teenagers and adult men. Adult female employment rose 180,000 in June to 31.8 million, 1.6 million above the level of a year earlier. Adult male employment fell 200,000 over the month but was still up 1.2 million from last June. Teenage employment declined by 170,000 in June to 7.3 million, 280,000 above a year earlier.

The total civilian labor force was essentially unchanged in June at 94.6 million. Labor force growth among adult women was offset by a decline among teenagers, as the adult male labor force was about unchanged over the month. Since June a year ago, the labor force has grown by 2.1 million workers--700,000 men, 1.3 million women, and 100,000 teenagers.

Discouraged Workers

Discouraged workers are persons who want work but are not looking for jobs because they believe they cannot find any. They do not meet the labor market test--that is, they are not engaged in active job search--and therefore are classified as not in the labor force. These data are published on a quarterly basis.

The number of discouraged workers, which had been declining since last fall, held about steady during the second quarter of 1976. At 900,000, their number was 250,000 below the third quarter 1975 peak level. Virtually all of this decrease was among those citing job market factors as the reason for their discouragement. (See table B.)

Table B. Discouraged workers, seasonally adjusted quarterly averages

(In thousands)

Characteristic	1974		1975				1976	
	III	IV	I	II	III	IV	I	II
Total......................	625	839	1,059	1,116	1,160	997	937	905
Job market factors[1]......	422	592	839	817	947	849	630	627
Personal factors[2]........	203	247	220	299	213	148	307	278

[1] Job market factors include "could not find job" and "thinks no job available."

[2] Personal factors include "employers think too young or old," "lacks education or training," and "other personal handicap."

Industry Payroll Employment

Total nonagricultural payroll employment was 79.0 million in June, seasonally adjusted, virtually the same level as in April and May. Payroll employment had grown by 2.6 million between the June 1975 recession low and April of this year. Of the 172 industries comprising the BLS diffusion index of nonagricultural payroll employment, only two-fifths posted employment gains in June, down from nearly two-thirds in the prior month. (See table B-1 and B-6.)

Employment in manufacturing fell slightly in June, as it had in May. Also as in May, most of the decline took place in the nondurable goods industries. Prior to the April-June decline, factory jobs had posted a 900,000 increase from the July 1975 low. Contract construction employment was about unchanged in June at 3.4 million, a level that has prevailed since early last year.

Within the service-producing sector, small over-the-month gains took place in services, trade, and finance, insurance, and real estate. The increase in finance resulted from the settlement of a strike. Employment growth in State and local government appears to have slowed over the past 2 months.

Hours

The average workweek for all production or nonsupervisory workers on private nonfarm payrolls fell 0.2 hour in June, returning to the April level of 36.1 hours (seasonally adjusted). All industry divisions with the exception of manufacturing declined over the month. Manufacturing hours were unchanged at 40.2 hours, while factory overtime edged down 0.1 hour to 3.1 hours in June. Both the factory workweek and overtime hours have remained strong during the first half of 1976 and were up 1.4 and 0.8 hours, respectively, over their lows reached in early 1975. (See table B-2.)

Due largely to the decline in average hours, the index of aggregate hours of private nonagricultural production or nonsupervisory workers fell by 0.6 percent to 110.7 (1967=100). The aggregate factory index also dropped, by 0.7 percent to 93.9 in June. Since the March 1975 low, however, the index of factory hours has risen by 8.7 percent. (See table B-5.)

Hourly and Weekly Earnings

Average hourly earnings of production or nonsupervisory workers on private nonagricultural payrolls were unchanged from the May level of $4.83 (seasonally adjusted), but were up 7.1 percent over the last 12 months. Reflecting the drop in weekly hours, average weekly earnings fell 0.6 percent over the month. Since June a year ago, however, weekly earnings have risen by 7.4 percent.

Before adjustment for seasonality, average hourly earnings went up by 1 cent to $4.83. Since last June, actual hourly earnings have increased by 32 cents. Weekly earnings in June averaged $175.81, an increase of $1.33 from May and $12.10 over the year. (See table B-3.)

The Hourly Earnings Index

The Hourly Earnings Index--earnings adjusted for overtime in manufacturing, seasonality, and the effects of changes in the proportion of workers in high-wage and low-wage industries--was 184.2 (1967=100) in June, 0.3 percent higher than in May. The index was 7.0 percent above June a year ago. During the 12-month period ended in May, the Hourly Earnings Index in dollars of constant purchasing power rose 1.5 percent. (See table B-4.)

This release presents and analyzes statistics from two major surveys. Data on labor force, total employment, and unemployment are derived from the sample survey of households conducted and tabulated by the Bureau of the Census for the Bureau of Labor Statistics. Statistics on payroll employment, hours, and earnings are collected by State agencies from payroll records of employers and are tabulated by the Bureau of Labor Statistics. Unless otherwise indicated, data for both series relate to the week of the specified month containing the 12th day. A description of the two surveys appears in the BLS publication *Employment and Earnings*.

Table A-1. Employment status of the noninstitutional population

(Numbers in thousands)

Employment status	Not seasonally adjusted			Seasonally adjusted					
	June 1975	May 1976	June 1976	June 1975	Feb. 1976	Mar. 1976	Apr. 1976	May 1976	June 1976
TOTAL									
Total noninstitutional population[1]	153,278	155,711	155,925	153,278	155,106	155,325	155,516	155,711	155,925
Total labor force	96,191	95,724	98,251	94,747	95,601	95,866	96,583	96,699	96,780
Participation rate	62.8	61.5	63.0	61.8	61.6	61.7	62.1	62.1	62.1
Civilian noninstitutional population[1]	151,100	153,570	153,788	151,100	152,960	153,178	153,371	153,570	153,788
Civilian labor force	94,013	93,582	96,114	92,569	93,455	93,719	94,439	94,557	94,643
Participation rate	62.2	60.9	62.5	61.3	61.1	61.2	61.6	61.6	61.5
Employed	85,444	87,278	88,460	84,498	86,319	86,692	87,399	87,697	87,500
Agriculture	3,869	3,415	3,780	3,350	3,170	3,179	3,417	3,329	3,294
Nonagricultural industries	81,575	83,863	84,680	81,148	83,149	83,513	83,982	84,368	84,206
Unemployed	8,569	6,304	7,655	8,071	7,136	7,027	7,040	6,860	7,143
Unemployment rate	9.1	6.7	8.0	8.7	7.6	7.5	7.5	7.3	7.5
Not in labor force	57,087	59,988	57,674	58,531	59,505	59,459	58,932	59,013	59,145
Males, 20 years and over									
Total noninstitutional population[1]	65,000	66,087	66,182	65,000	65,821	65,920	66,002	66,087	66,182
Total labor force	52,872	52,894	53,541	52,519	52,603	52,623	53,010	53,144	53,144
Participation rate	81.3	80.0	80.9	80.8	79.9	79.8	80.3	80.4	80.3
Civilian noninstitutional population[1]	63,282	64,398	64,492	63,282	64,133	64,230	64,311	64,398	64,492
Civilian labor force	51,153	51,205	51,851	50,801	50,914	50,934	51,319	51,455	51,454
Participation rate	80.8	79.5	80.4	80.3	79.4	79.3	79.8	79.9	79.8
Employed	47,698	48,498	48,871	47,250	47,997	48,081	48,524	48,596	48,391
Agriculture	2,569	2,468	2,588	2,413	2,305	2,301	2,405	2,427	2,430
Nonagricultural industries	45,130	46,030	46,283	44,837	45,692	45,780	46,119	46,169	45,961
Unemployed	3,455	2,707	2,980	3,551	2,917	2,853	2,795	2,859	3,063
Unemployment rate	6.8	5.3	5.7	7.0	5.7	5.6	5.4	5.6	6.0
Not in labor force	12,129	13,193	12,641	12,481	13,219	13,296	12,992	12,943	13,038
Females, 20 years and over									
Civilian noninstitutional population[1]	71,574	72,753	72,857	71,574	72,452	72,561	72,653	72,753	72,857
Civilian labor force	32,550	33,845	33,857	32,964	33,687	33,865	34,019	33,972	34,290
Participation rate	45.5	46.5	46.5	46.1	46.5	46.7	46.8	46.7	47.1
Employed	29,870	31,682	31,429	30,266	31,165	31,398	31,523	31,664	31,845
Agriculture	615	521	596	494	420	442	540	473	479
Nonagricultural industries	29,255	31,160	30,833	29,772	30,745	30,956	30,983	31,191	31,366
Unemployed	2,680	2,163	2,428	2,698	2,522	2,467	2,496	2,308	2,445
Unemployment rate	8.2	6.4	7.2	8.2	7.5	7.3	7.3	6.8	7.1
Not in labor force	39,024	38,908	39,000	38,610	38,765	38,696	38,634	38,781	38,567
Both sexes, 16-19 years									
Civilian noninstitutional population[1]	16,244	16,419	16,439	16,244	16,376	16,387	16,407	16,419	16,439
Civilian labor force	10,310	8,532	10,407	8,804	8,854	8,920	9,101	9,130	8,899
Participation rate	63.5	52.0	63.3	54.2	54.1	54.4	55.5	55.6	54.1
Employed	7,876	7,099	8,160	6,982	7,157	7,213	7,352	7,437	7,264
Agriculture	686	426	596	443	445	436	472	429	385
Nonagricultural industries	7,190	6,672	7,564	6,539	6,712	6,777	6,880	7,008	6,879
Unemployed	2,434	1,434	2,247	1,822	1,697	1,707	1,749	1,693	1,635
Unemployment rate	23.6	16.8	21.6	20.7	19.2	19.1	19.2	18.5	18.4
Not in labor force	5,934	7,886	6,032	7,440	7,522	7,467	7,306	7,289	7,540
WHITE									
Civilian noninstitutional population[1]	133,402	135,296	135,473	133,402	134,813	134,987	135,141	135,296	135,473
Civilian labor force	83,231	82,924	85,005	82,044	82,715	82,961	83,451	83,642	83,805
Participation rate	62.4	61.3	62.7	61.5	61.4	61.5	61.8	61.8	61.9
Employed	76,327	77,836	78,987	75,457	77,101	77,282	77,867	78,087	78,120
Unemployed	6,904	5,088	6,018	6,587	5,614	5,679	5,584	5,555	5,685
Unemployment rate	8.3	6.1	7.1	8.0	6.8	6.8	6.7	6.6	6.8
Not in labor force	50,171	52,372	50,468	51,358	52,098	52,026	51,690	51,654	51,668
BLACK AND OTHER									
Civilian noninstitutional population[1]	17,698	18,273	18,315	17,698	18,147	18,191	18,230	18,273	18,315
Civilian labor force	10,782	10,658	11,110	10,484	10,795	10,748	10,901	10,838	10,826
Participation rate	60.9	58.3	60.7	59.2	59.5	59.1	59.8	59.3	59.1
Employed	9,117	9,442	9,473	9,013	9,315	9,407	9,489	9,511	9,382
Unemployed	1,665	1,216	1,637	1,471	1,480	1,341	1,412	1,327	1,444
Unemployment rate	15.4	11.4	14.7	14.0	13.7	12.5	13.0	12.2	13.3
Not in labor force	6,916	7,616	7,206	7,214	7,352	7,443	7,329	7,435	7,489

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[1] Seasonal variations are not present in the population figures; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

Table A-2. Major unemployment indicators, seasonally adjusted

Selected categories	Number of unemployed persons (in thousands)		Unemployment rates					
	June 1975	June 1976	June 1975	Feb. 1976	Mar. 1976	Apr. 1976	May 1976	June 1976
Total, 16 years and over	8,071	7,143	8.7	7.6	7.5	7.5	7.3	7.5
Males, 20 years and over	3,551	3,063	7.0	5.7	5.6	5.4	5.6	6.0
Females, 20 years and over	2,698	2,445	8.2	7.5	7.3	7.3	6.8	7.1
Both sexes, 16-19 years	1,822	1,635	20.7	19.2	19.1	19.2	18.5	18.4
White, total	6,587	5,685	8.0	6.8	6.8	6.7	6.6	6.8
Males, 20 years and over	2,935	2,482	6.4	5.0	5.1	4.9	5.1	5.4
Females, 20 years and over	2,170	1,919	7.6	6.7	6.8	6.7	6.3	6.5
Both sexes, 16-19 years	1,482	1,284	18.9	17.1	17.2	16.6	16.3	16.1
Black and other, total	1,471	1,444	14.0	13.7	12.5	13.0	12.2	13.3
Males, 20 years and over	611	575	11.8	11.2	10.3	10.0	9.2	10.7
Females, 20 years and over	522	519	12.0	12.2	10.1	10.9	10.4	11.3
Both sexes, 16-19 years	338	350	36.0	35.2	35.9	39.2	38.5	40.3
Household heads, total	3,226	2,738	6.1	4.9	5.0	4.8	4.8	5.1
Males	2,637	2,169	5.9	4.4	4.5	4.5	4.4	4.8
With relatives	2,240	1,739	5.5	4.0	4.0	3.9	4.0	4.3
Without relatives	397	430	8.9	8.0	8.8	9.3	8.1	8.9
Females	628	579	7.6	8.0	7.3	6.9	6.3	6.7
With relatives	391	382	9.9	10.4	9.4	9.3	8.6	9.2
Without relatives	237	197	5.5	5.7	5.4	4.7	4.1	4.4
Married men, spouse present	2,222	1,740	5.5	4.1	4.1	3.9	4.0	4.4
Full-time workers	6,645	5,836	8.4	7.1	7.0	7.0	6.8	7.4
Part-time workers	1,397	1,275	10.1	10.4	10.3	10.7	10.2	9.0
Unemployed 15 weeks and over [1]	2,751	2,215	3.0	2.7	2.4	2.2	2.1	2.3
Labor force time lost [2]	--	--	8.9	8.1	8.2	8.2	8.1	7.7
OCCUPATION [3]								
White-collar workers	2,128	1,998	4.8	4.6	4.6	4.8	4.6	4.4
Professional and technical	425	396	3.2	3.6	3.5	3.4	3.2	2.9
Managers and administrators, except farm	278	298	3.0	2.9	2.9	2.8	3.2	3.1
Sales workers	346	295	5.8	5.2	5.0	4.9	4.8	5.1
Clerical workers	1,079	1,009	6.7	6.1	6.3	7.0	6.4	6.1
Blue-collar workers	3,950	2,981	12.4	9.3	9.1	9.0	9.0	9.3
Craft and kindred workers	1,105	878	9.2	6.7	6.7	7.0	6.2	7.3
Operatives	2,057	1,486	13.9	9.8	9.8	9.3	9.5	9.8
Nonfarm laborers	788	617	15.8	14.1	12.9	13.2	14.0	12.7
Service workers	1,084	1,134	8.5	8.9	8.6	8.1	8.1	8.6
Farm workers	98	120	3.2	3.9	5.0	4.8	5.0	4.1
INDUSTRY [3]								
Nonagricultural private wage and salary workers [4]	6,446	5,351	9.6	8.0	7.7	7.6	7.6	7.8
Construction	921	760	20.5	15.5	16.0	15.3	14.1	17.0
Manufacturing	2,517	1,626	12.0	8.0	7.3	7.6	7.3c	7.6
Durable goods	1,601	954	12.7	8.0	7.4	7.7	7.4	7.5
Nondurable goods	916	672	10.9	8.1	7.1	7.6	7.3	7.7
Transportation and public utilities	278	243	5.8	4.7	4.5	4.1	5.3	5.2
Wholesale and retail trade	1,438	1,425	8.5	8.4	8.7	8.3	8.1	8.2
Finance and service industries	1,249	1,255	6.6	6.8	6.1	6.2	6.4	6.3
Government workers	593	647	3.9	4.4	4.5	5.0	4.8	4.2
Agricultural wage and salary workers	143	159	10.1	10.6	11.8	11.6	13.1	10.9
VETERAN STATUS								
Males, Vietnam-era veterans [5]:								
20 to 34 years	573	558	9.5	7.8	7.0	6.7	7.3	8.8
20 to 24 years	195	187	19.2	17.9	15.6	14.7	14.7	19.6
25 to 29 years	262	247	8.0	7.1	6.6	6.2	6.6	7.9
30 to 34 years	116	124	6.6	4.6	3.8	3.7	5.1	5.5
Males, nonveterans:								
20 to 34 years	1,416	1,174	10.0	8.3	8.3	7.9	7.9	7.8
20 to 24 years	807	693	12.8	11.0	11.8	10.8	10.9	10.5
25 to 29 years	385	303	9.2	6.6	6.0	6.0	6.0	6.4
30 to 34 years	224	178	6.0	5.5	4.9	5.0	4.8	4.9

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

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

[3] Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.

[4] Includes mining, not shown separately.

[5] Vietnam-era veterans are those who served between August 5, 1964, and April 30, 1975.

c= corrected.

Table A-3. Selected employment indicators

[In thousands]

Selected categories	Not seasonally adjusted		Seasonally adjusted					
	June 1975	June 1976	June 1975	Feb. 1976	Mar. 1976	Apr. 1976	May 1976	June 1976
Total employed, 16 years and over	85,444	88,460	84,498	86,319	86,692	87,399	87,697	87,500
Males	52,098	53,389	50,978	51,870	51,944	52,490	52,554	52,243
Females	33,347	35,071	33,520	34,449	34,784	34,909	35,143	35,257
Household heads	50,003	51,214	49,940	50,737	50,789	51,165	51,200	51,163
Married men, spouse present	37,932	38,204	37,821	37,931	38,087	38,205	38,215	38,090
Married women, spouse present	19,049	19,910	19,467	19,976	20,001	20,073	20,280	20,337
OCCUPATION								
White-collar workers	41,879	43,221	42,373	43,028	43,458	43,433	43,792	43,763
Professional and technical	12,218	12,901	12,721	13,094	13,204	13,004	13,262	13,439
Managers and administrators, except farm	8,921	9,220	8,953	9,135	9,300	9,387	9,200	9,257
Sales workers	5,612	5,545	5,577	5,333	5,398	5,488	5,562	5,512
Clerical workers	15,127	15,555	15,122	15,466	15,556	15,554	15,768	15,555
Blue-collar workers	28,563	29,968	27,782	28,725	28,545	29,110	29,115	29,166
Craft and kindred workers	11,123	11,474	10,897	11,297	11,030	11,161	11,268	11,238
Operatives	12,737	13,731	12,701	13,214	13,191	13,508	13,514	13,690
Nonfarm laborers	4,703	4,764	4,184	4,214	4,324	4,441	4,333	4,238
Service workers	11,617	12,048	11,601	11,848	11,781	11,858	11,981	12,028
Farm workers	3,385	3,222	2,942	2,772	2,712	2,922	2,833	2,802
MAJOR INDUSTRY AND CLASS OF WORKER								
Agriculture:								
Wage and salary workers	1,507	1,533	1,277	1,295	1,317	1,388	1,286	1,299
Self-employed workers	1,841	1,777	1,731	1,596	1,568	1,641	1,672	1,670
Unpaid family workers	521	469	379	300	284	394	359	341
Nonagricultural industries:								
Wage and salary workers	75,445	78,463	75,098	77,023	77,376	77,834	78,134	78,098
Private households	1,484	1,431	1,468	1,200	1,308	1,351	1,294	1,615
Government	14,165	14,537	14,512	14,891	14,980	14,796	14,850	14,894
Other	59,796	62,495	59,118	60,932	61,088	61,687	61,990	61,789
Self-employed workers	5,710	5,748	5,619	5,684	5,594	5,608	5,778	5,657
Unpaid family workers	421	469	405	490	444	463	460	451
PERSONS AT WORK [1]								
Nonagricultural industries	75,633	78,688	76,346	78,399	78,167	77,413	79,056	79,497
Full-time schedules	62,162	65,184	61,861	64,381	64,328	63,708	64,947	64,860
Part time for economic reasons	4,052	3,669	3,422	3,262	3,266	3,248	3,382	3,080
Usually work full time	1,681	1,400	1,569	1,308	1,230	1,342	1,457	1,307
Usually work part time	2,371	2,269	1,853	1,954	2,036	1,906	1,925	1,773
Part time for noneconomic reasons	9,419	9,835	11,063	10,755	10,573	10,457	10,727	11,557

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

Table A-4. Duration of unemployment

[Numbers in thousands]

Weeks of unemployment	Not seasonally adjusted		Seasonally adjusted					
	June 1975	June 1976	June 1975	Feb. 1976	Mar. 1976	Apr. 1976	May 1976	June 1976
Less than 5 weeks	3,651	3,497	2,733	2,686	2,609	2,979	2,855	2,618
5 to 14 weeks	2,066	1,861	2,511	1,856	1,905	1,883	1,947	2,261
15 weeks and over	2,852	2,297	2,751	2,515	2,294	2,035	1,998	2,215
15 to 26 weeks	1,492	905	1,480	957	903	669	830	914
27 weeks and over	1,360	1,392	1,271	1,558	1,391	1,366	1,168	1,301
Average (mean) duration, in weeks	13.7	15.1	15.3	16.2	15.8	15.7	15.0	16.9
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	42.6	45.7	34.2	38.1	38.3	43.2	42.0	36.9
5 to 14 weeks	24.1	24.3	31.4	26.3	28.0	27.3	28.6	31.9
15 weeks and over	33.3	30.0	34.4	35.6	33.7	29.5	29.4	31.2
15 to 26 weeks	17.4	11.8	18.5	13.6	13.3	9.7	12.2	12.9
27 weeks and over	15.9	18.2	15.9	22.1	20.4	19.8	17.2	18.3

Table A-5. Reasons for unemployment

[Numbers in thousands]

Reason	Not seasonally adjusted		Seasonally adjusted					
	June 1975	June 1976	June 1975	Feb. 1976	Mar. 1976	Apr. 1976	May 1976	June 1976
NUMBER OF UNEMPLOYED								
Lost last job	4,298	3,286	4,738	3,440	3,502	3,499	3,461	3,623
Left last job	746	839	784	848	760	831	881	882
Reentered labor force	2,326	2,244	1,860	1,864	1,857	1,833	1,781	1,795
Seeking first job	1,198	1,286	717	849	853	894	856	805
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	50.2	42.9	58.5	49.1	50.2	49.6	49.6	51.0
Job leavers	8.7	11.0	9.7	12.1	10.9	11.8	12.6	12.4
Reentrants	27.1	29.3	23.0	26.6	26.6	26.0	25.5	25.3
New entrants	14.0	16.8	8.9	12.1	12.2	12.7	12.3	11.3
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE								
Job losers	4.6	3.4	5.1	3.7	3.7	3.7	3.7	3.8
Job leavers	.8	.9	.8	.9	.8	.9	.9	.9
Reentrants	2.5	2.3	2.0	2.0	2.0	1.9	1.9	1.9
New entrants	1.3	1.3	.8	.9	.9	.9	.9	.9

Table A-6. Unemployment by sex and age

Sex and age	Not seasonally adjusted			Seasonally adjusted unemployment rates					
	Thousands of persons		Percent looking for full-time work						
	June 1975	June 1976	June 1976	June 1975	Feb. 1976	Mar. 1976	Apr. 1976	May 1976	June 1976
Total, 16 years and over	8,569	7,655	85.5	8.7	7.6	7.5	7.5	7.3	7.5
16 to 19 years	2,434	2,247	75.2	20.7	19.2	19.1	19.2	18.5	18.4
16 to 17 years	1,189	1,189	64.8	21.4	21.4	20.0	20.8	21.9	21.5
18 to 19 years	1,245	1,059	86.8	19.5	17.5	18.6	18.2	16.4	15.6
20 to 24 years	1,950	1,791	91.3	12.9	12.1	12.1	11.8	11.1	11.4
25 years and over	4,185	3,617	88.9	6.5	5.3	5.1	5.1	5.0	5.5
25 to 54 years	3,532	2,998	91.2	6.9	5.5	5.2	5.3	5.3	5.7
55 years and over	653	619	78.0	4.8	4.8	4.8	4.6	4.2	4.7
Males, 16 years and over	4,795	4,140	89.2	8.3	6.9	6.8	6.7	6.8	7.0
16 to 19 years	1,340	1,160	78.8	22.1	19.3	19.3	20.1	19.4	18.5
16 to 17 years	665	610	68.2	22.9	21.0	20.8	21.5	23.1	21.3
18 to 19 years	675	551	90.4	20.7	17.8	18.4	19.1	16.9	15.9
20 to 24 years	1,138	995	93.0	13.9	11.9	12.0	11.2	11.3	11.7
25 years and over	2,317	1,985	93.4	5.8	4.6	4.5	4.5	4.4	5.0
25 to 54 years	1,945	1,607	96.5	6.2	4.6	4.3	4.6	4.5	5.1
55 years and over	371	379	79.9	4.6	4.6	5.0	4.4	4.4	4.8
Females, 16 years and over	3,774	3,515	81.1	9.4	8.7	8.6	8.5	8.0	8.3
16 to 19 years	1,094	1,087	71.4	19.0	19.1	18.9	18.1	17.5	18.2
16 to 17 years	523	579	61.5	19.4	21.7	19.1	19.9	20.5	21.6
18 to 19 years	570	508	82.9	18.3	17.2	18.8	17.1	15.9	15.3
20 to 24 years	812	796	89.2	11.7	12.2	12.2	12.6	10.8	11.0
25 years and over	1,868	1,632	83.5	7.5	6.4	6.2	6.1	6.0	6.3
25 to 54 years	1,587	1,391	85.0	8.0	6.9	6.5	6.5	6.4	6.7
55 years and over	282	241	75.1	5.2	5.0	4.5	4.9	4.0	4.5

Table B-1. Employees on nonagricultural payrolls, by industry

[In thousands]

Industry	Not seasonally adjusted				Seasonally adjusted					
	June 1975	Apr. 1976	May 1976^p	June 1976^p	June 1975	Feb. 1976	Mar. 1976	Apr. 1976	May 1976^p	June 1976^p
TOTAL	77,183	78,688	79,152	79,852	76,343	78,368	78,630	78,963	78,964	78,988
GOODS-PRODUCING	22,566	22,849	23,043	23,420	22,233	22,901	23,013	23,144	23,136	23,075
MINING	756	766	775	797	741	763	770	772	773	781
CONTRACT CONSTRUCTION	3,555	3,270	3,407	3,556	3,392	3,375	3,366	3,399	3,407	3,393
MANUFACTURING	18,255	18,813	18,861	19,067	18,100	18,763	18,877	18,973	18,956	18,901
Production workers	12,981	13,529	13,563	13,729	12,849	13,487	13,577	13,668	13,643	13,585
DURABLE GOODS	10,635	10,945	11,026	11,150	10,527	10,846	10,937	11,000	11,040	11,035
Production workers	7,500	7,814	7,884	7,986	7,404	7,722	7,795	7,858	7,891	7,882
Ordnance and accessories	172.7	159.3	157.4	156.7	173	162	161	161	160	157
Lumber and wood products	571.4	587.5	597.8	620.8	552	595	596	597	598	600
Furniture and fixtures	439.6	487.4	490.6	492.2	437	484	487	492	495	489
Stone, clay, and glass products	618.5	618.3	627.6	641.8	605	612	616	624	626	628
Primary metal industries	1,166.2	1,184.3	1,192.9	1,212.7	1,149	1,168	1,173	1,181	1,186	1,195
Fabricated metal products	1,328.5	1,377.6	1,383.8	1,394.8	1,317	1,369	1,381	1,389	1,389	1,382
Machinery, except electrical	2,051.4	2,057.9	2,063.0	2,072.9	2,035	2,039	2,049	2,054	2,063	2,056
Electrical equipment	1,731.1	1,813.8	1,822.2	1,847.0	1,723	1,795	1,818	1,828	1,833	1,838
Transportation equipment	1,670.2	1,735.3	1,755.0	1,763.0	1,657	1,699	1,726	1,739	1,748	1,749
Instruments and related products	483.7	505.6	510.2	517.4	481	501	505	510	512	514
Miscellaneous manufacturing	402.0	417.7	425.7	430.9	398	422	425	425	430	427
NONDURABLE GOODS	7,620	7,868	7,835	7,917	7,573	7,917	7,940	7,973	7,916	7,866
Production workers	5,481	5,715	5,679	5,743	5,445	5,765	5,782	5,810	5,752	5,703
Food and kindred products	1,663.0	1,630.2	1,650.6	1,692.5	1,671	1,709	1,695	1,707	1,710	1,701
Tobacco manufactures	68.3	68.9	67.7	66.4	75	77	75	75	75	73
Textile mill products	902.6	969.8	971.7	976.8	891	964	964	972	973	964
Apparel and other textile products	1,229.3	1,316.7	1,317.5	1,325.9	1,215	1,306	1,322	1,317	1,314	1,310
Paper and allied products	634.4	669.1	673.6	675.8	627	667	671	674	680	668
Printing and publishing	1,074.7	1,075.1	1,076.5	1,074.9	1,073	1,069	1,075	1,077	1,080	1,073
Chemicals and allied products	1,009.2	1,029.8	1,026.6	1,036.1	1,000	1,029	1,030	1,033	1,030	1,027
Petroleum and coal products	200.8	201.1	202.8	206.5	197	204	204	204	203	202
Rubber and plastics products, nec.	578.4	629.4	567.8	577.8	572	617	627	634	572	571
Leather and leather products	258.9	277.9	280.0	284.7	252	275	277	280	279	277
SERVICE-PRODUCING	54,617	55,839	56,109	56,432	54,110	55,467	55,617	55,819	55,828	55,913
TRANSPORTATION AND PUBLIC UTILITIES	4,523	4,474	4,497	4,560	4,469	4,517	4,498	4,510	4,502	4,506
WHOLESALE AND RETAIL TRADE	16,971	17,295	17,401	17,546	16,877	17,326	17,386	17,444	17,435	17,454
WHOLESALE TRADE	4,178	4,212	4,227	4,285	4,153	4,236	4,236	4,255	4,261	4,259
RETAIL TRADE	12,793	13,083	13,174	13,261	12,724	13,090	13,150	13,189	13,174	13,195
FINANCE, INSURANCE, AND REAL ESTATE	4,248	4,276	4,278	4,344	4,202	4,266	4,276	4,293	4,278	4,297
SERVICES	14,079	14,498	14,644	14,800	13,871	14,360	14,422	14,498	14,542	14,581
GOVERNMENT	14,796	15,296	15,289	15,182	14,691	14,998	15,035	15,074	15,071	15,075
FEDERAL	2,771	2,730	2,735	2,750	2,738	2,740	2,732	2,730	2,727	2,717
STATE AND LOCAL	12,025	12,566	12,554	12,432	11,953	12,258	12,303	12,344	12,344	12,358

p=preliminary.

Table B-2. Average weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	June 1975	Apr. 1976	May 1976P	June 1976P	June 1975	Feb. 1976	Mar. 1976	Apr. 1976	May 1976P	June 1976P
TOTAL PRIVATE	36.3	35.9	36.2	36.4	36.0	36.4	36.2	36.1	36.3	36.1
MINING	42.7	42.3	42.6	43.0	42.2	43.1	42.8	42.6	42.6	42.4
CONTRACT CONSTRUCTION	36.5	37.1	37.3	38.0	35.7	37.9	35.9	37.5	37.3	37.2
MANUFACTURING	39.5	39.2	40.2	40.4	39.3	40.3	40.2	39.4	40.2	40.2
Overtime hours	2.5	2.4	3.1	3.2	2.4	3.1	3.2	2.5	3.2	3.1
DURABLE GOODS	39.9	39.6	40.9	41.0	39.6	40.7	40.6	39.7	40.9	40.7
Overtime hours	2.4	2.3	3.2	3.4	2.3	3.0	3.1	2.5	3.2	3.3
Ordnance and accessories	41.7	39.5	40.5	40.9	41.6	40.7	40.8	39.6	40.6	40.8
Lumber and wood products	39.8	40.0	40.5	40.6	39.0	40.5	39.9	40.0	40.2	39.8
Furniture and fixtures	38.0	37.9	38.7	39.0	37.6	39.3	39.0	38.4	39.0	38.6
Stone, clay, and glass products	40.7	40.8	41.6	41.8	40.3	41.4	40.7	41.0	41.4	41.3
Primary metal industries	39.8	40.5	41.0	41.3	39.6	40.6	40.5	40.4	41.0	41.1
Fabricated metal products	39.9	39.4	41.0	41.1	39.5	41.0	40.9	39.6	40.9	40.7
Machinery, except electrical	40.5	40.0	41.0	41.1	40.4	41.2	41.0	40.2	41.1	41.0
Electrical equipment	39.5	39.0	40.2	40.3	39.3	40.2	40.1	39.2	40.2	40.1
Transportation equipment	40.4	39.9	42.3	42.8	40.0	41.6	42.1	40.6	42.0	42.4
Instruments and related products	39.4	39.5	40.7	40.7	39.4	40.2	40.5	39.6	40.8	40.7
Miscellaneous manufacturing	38.4	38.0	38.7	38.7	38.3	38.7	38.8	38.0	38.7	38.6
NONDURABLE GOODS	38.9	38.5	39.4	39.5	38.7	39.7	39.5	38.7	39.5	39.3
Overtime hours	2.7	2.5	3.0	3.0	2.6	3.1	3.2	2.6	3.1	2.9
Food and kindred products	40.1	39.4	40.1	40.4	39.9	40.5	40.2	40.0	40.3	40.2
Tobacco manufactures	39.6	38.1	37.8	37.6	39.8	39.5	39.3	39.0	38.1	37.8
Textile mill products	39.6	38.9	40.5	40.6	39.2	40.9	40.7	39.0	40.7	40.2
Apparel and other textile products	35.2	34.8	35.8	36.0	35.2	36.3	36.2	34.9	35.9	36.0
Paper and allied products	41.6	41.6	42.7	42.9	41.5	42.7	42.5	41.8	43.0	42.8
Printing and publishing	36.8	36.9	37.5	37.4	36.7	37.5	37.4	37.1	37.5	37.3
Chemicals and allied products	40.9	41.7	41.6	41.4	40.7	41.7	41.5	41.5	41.6	41.2
Petroleum and coal products	41.5	42.2	42.2	42.6	41.2	42.4	42.4	42.2	42.2	42.3
Rubber and plastics products, nec	39.8	39.4	40.5	40.4	39.6	40.9	41.0	39.4	40.7	40.2
Leather and leather products	38.2	37.0	38.4	38.0	37.5	38.4	38.6	37.5	38.1	37.3
TRANSPORTATION AND PUBLIC UTILITIES	39.7	39.6	39.7	39.6	39.5	39.8	39.9	40.0	39.8	39.4
WHOLESALE AND RETAIL TRADE	34.1	33.6	33.5	33.9	33.8	33.9	33.7	33.9	33.8	33.6
WHOLESALE TRADE	38.6	38.6	38.6	38.8	38.4	38.8	38.7	38.9	38.7	38.6
RETAIL TRADE	32.8	32.1	32.0	32.5	32.4	32.3	32.2	32.5	32.4	32.1
FINANCE, INSURANCE, AND REAL ESTATE	36.5	36.6	36.7	36.6	36.5	36.7	36.5	36.6	36.8	36.6
SERVICES	34.1	33.3	33.4	33.7	33.9	33.7	33.5	33.5	33.7	33.5

[1] Data relate to production workers in mining and manufacturing; to construction workers in contract construction and to 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 employment on private nonagricultural payrolls.

p=preliminary.

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry

Industry	Average hourly earnings				Average weekly earnings			
	June 1975	Apr. 1976	May 1976p	June 1976p	June 1975	Apr. 1976	May 1976p	June 1976p
TOTAL PRIVATE	$4.51	$4.77	$4.82	$4.83	$163.71	$171.24	$174.48	$175.81
Seasonally adjusted	4.51	4.78	4.83	4.83	162.36	172.56	175.33	174.36
MINING	5.87	6.33	6.36	6.34	250.65	267.76	270.94	272.62
CONTRACT CONSTRUCTION	7.18	7.50	7.62	7.61	262.07	287.25	284.23	289.18
MANUFACTURING	4.78	5.07	5.12	5.15	188.81	198.74	205.82	208.06
DURABLE GOODS	5.10	5.41	5.49	5.51	203.49	214.24	224.54	225.91
Ordnance and accessories	5.17	5.59	5.66	5.60	215.59	220.81	229.23	229.04
Lumber and wood products	4.25	4.52	4.59	4.66	169.15	180.80	185.90	189.20
Furniture and fixtures	3.72	3.91	3.93	3.95	141.36	148.19	152.09	154.05
Stone, clay, and glass products	4.87	5.20	5.26	5.29	198.21	212.16	218.82	221.12
Primary metal industries	6.07	6.77	6.72	6.74	241.59	274.19	275.52	278.36
Fabricated metal products	5.03	5.27	5.41	5.43	200.70	207.64	221.81	223.17
Machinery, except electrical	5.32	5.62	5.69	5.71	215.46	224.80	233.29	234.68
Electrical equipment	4.58	4.76	4.81	4.82	180.91	185.64	193.36	194.25
Transportation equipment	5.96	6.31	6.48	6.51	240.78	251.77	274.10	278.63
Instruments and related products	4.54	4.77	4.82	4.83	178.88	188.42	196.17	196.58
Miscellaneous manufacturing	3.78	3.95	3.99	3.99	145.15	150.10	154.41	154.41
NONDURABLE GOODS	4.32	4.59	4.59	4.62	168.05	176.72	180.85	182.49
Food and kindred products	4.54	4.88	4.90	4.93	182.05	192.27	196.49	199.17
Tobacco manufactures	4.89	5.12	5.14	5.15	193.64	195.07	194.29	193.64
Textile mill products	3.34	3.52	3.57	3.58	132.26	136.93	144.59	145.35
Apparel and other textile products	3.16	3.37	3.38	3.38	111.23	117.28	121.00	121.68
Paper and allied products	4.95	5.26	5.32	5.37	205.92	218.82	227.16	230.37
Printing and publishing	5.35	5.60	5.65	5.67	196.88	206.64	211.88	212.06
Chemicals and allied products	5.35	5.77	5.80	5.85	218.82	240.61	241.28	242.19
Petroleum and coal products	6.38	7.12	7.11	7.16	264.77	300.46	300.04	305.02
Rubber and plastics products, nec	4.33	4.50	4.37	4.38	172.33	177.30	176.99	176.95
Leather and leather products	3.21	3.41	3.42	3.42	122.62	126.17	131.33	129.96
TRANSPORTATION AND PUBLIC UTILITIES	5.83	6.35	6.38	6.39	231.45	251.46	253.29	253.04
WHOLESALE AND RETAIL TRADE	3.73	3.92	3.95	3.95	127.19	131.71	132.33	133.91
WHOLESALE TRADE	4.87	5.10	5.17	5.13	187.98	196.86	199.56	199.04
RETAIL TRADE	3.33	3.50	3.52	3.53	109.22	112.35	112.64	114.73
FINANCE, INSURANCE, AND REAL ESTATE	4.16	4.34	4.37	4.32	151.84	158.84	160.38	158.11
SERVICES	4.02	4.30	4.33	4.33	137.08	143.19	144.62	145.92

[1] See footnote 1, table B-2.
p=preliminary.

Table B-4. Hourly earnings index for production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry division, seasonally adjusted

(1967=100)

Industry	June 1975	Jan. 1976	Feb. 1976	Mar. 1976	Apr. 1976	May P 1976	June P 1976	Percent change from June 1975–June 1976	Percent change from May 1976–June 1976
TOTAL PRIVATE NONFARM:									
Current dollars	172.2	179.6	180.8	181.4	182.2	183.7	184.2	7.0	0.3
Constant (1967) dollars	107.2	107.5	108.1	108.2	108.3	108.5	N.A.	(2)	(3)
MINING	182.8	192.2	193.6	194.8	195.9	198.0	198.4	8.5	.2
CONTRACT CONSTRUCTION	175.9	180.0	180.1	183.4	183.2	185.3	186.4	6.0	.6
MANUFACTURING	171.0	178.8	179.8	180.7	181.8	182.4	183.2	7.2	.5
TRANSPORTATION AND PUBLIC UTILITIES	181.1	192.2	194.1	194.8	195.5	198.1	198.7	9.7	.3
WHOLESALE AND RETAIL TRADE	167.5	174.0	174.4	174.9	175.7	177.4	177.3	5.8	-.1
FINANCE, INSURANCE, AND REAL ESTATE	163.1	165.9	168.3	168.3	169.0	170.6	169.2	3.8	-.8
SERVICES	175.5	184.6	185.4	185.2	186.5	188.0	188.6	7.5	.3

[1] See footnote 1, table B-2.

[2] Percent change was 1.5 from May 1975 to May 1976, the latest month available.

[3] Percent change was 0.2 from April 1976 to May 1976, the latest month available.

N.A. = not available.

p=preliminary.

NOTE: All series are in current dollars except where indicated. The index excludes effects of two types of changes that are unrelated to underlying wage-rate developments: Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries.

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry, seasonally adjusted

[1967 = 100]

Industry division and group	1975							1976					
	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May^p	June^p
TOTAL	106.0	106.2	107.4	107.9	108.4	108.8	109.3	110.3	110.5	110.2	110.7	111.4	110.7
GOODS-PRODUCING	88.9	89.3	91.2	92.4	92.7	92.9	94.3	95.5	95.2	94.8	94.5	96.1	95.4
MINING	118.4	118.8	118.6	119.9	125.0	124.7	125.7	125.2	124.4	124.8	124.9	124.5	125.8
CONTRACT CONSTRUCTION	94.9	96.2	98.3	98.6	97.3	97.7	98.8	100.3	98.8	93.4	98.8	98.7	97.9
MANUFACTURING	86.8	87.1	89.0	90.3	90.8	90.9	92.5	93.7	93.6	94.0	92.7	94.6	93.9
DURABLE GOODS	85.2	84.9	86.7	87.7	87.8	88.1	90.0	91.3	91.3	92.0	91.0	93.5	93.3
Ordnance and accessories	46.9	44.7	43.7	43.0	42.9	40.8	41.5	41.6	40.9	41.0	40.3	40.8	39.9
Lumber and wood products	85.8	86.7	88.8	90.1	92.1	90.8	93.4	97.0	96.4	95.2	95.8	96.3	95.7
Furniture and fixtures	87.2	88.7	92.6	97.4	97.9	99.2	101.0	101.5	103.1	102.8	102.5	104.9	103.0
Stone, clay, and glass products	92.4	93.1	94.5	95.7	95.7	96.2	97.1	97.6	96.7	95.7	98.0	99.3	99.3
Primary metal industries	80.8	80.0	81.7	83.5	91.9	82.3	83.6	84.1	84.9	85.3	85.8	87.5	88.5
Fabricated metal products	88.5	86.7	90.9	92.0	92.8	92.7	94.6	95.7	96.6	97.3	95.0	98.2	96.9
Machinery, except electrical	91.3	90.4	91.0	91.8	91.9	92.0	92.5	93.4	93.2	93.3	91.6	94.2	93.5
Electrical equipment and supplies	81.8	81.6	84.3	84.9	85.8	85.5	87.5	89.0	89.2	90.3	89.2	91.9	91.9
Transportation equipment	81.4	82.0	82.9	82.2	81.5	83.1	87.3	89.0	88.2	90.8	88.5	91.9	92.7
Instruments and related products	97.0	98.1	97.2	99.4	100.8	101.7	103.4	105.0	105.2	106.3	105.7	109.9	109.6
Miscellaneous manufacturing, Ind.	87.0	87.7	89.0	91.4	91.3	90.8	91.7	94.4	94.3	95.1	92.9	95.4	94.6
NONDURABLE GOODS	89.1	90.2	92.4	94.1	95.1	95.0	96.2	97.1	96.9	96.9	95.3	96.3	94.9
Food and kindred products	93.1	93.4	96.1	96.9	96.5	95.1	95.4	96.9	97.3	95.5	95.9	96.9	95.5
Tobacco manufactures	86.7	80.8	85.8	88.1	85.6	93.4	87.4	90.6	88.8	85.6	84.9	82.9	79.6
Textile mill products	87.0	88.5	93.0	96.4	98.1	98.0	99.1	99.7	99.0	98.6	95.2	99.4	97.3
Apparel and other textile products	82.4	84.6	85.3	87.8	90.0	90.1	92.1	93.1	91.8	92.6	88.9	91.1	91.2
Paper and allied products	86.4	87.6	89.6	91.3	92.0	92.6	94.7	95.2	95.8	95.9	95.0	98.5	96.6
Printing and publishing	91.2	90.9	92.4	91.9	91.8	92.4	93.5	93.4	92.5	92.7	92.1	93.4	91.8
Chemicals and allied products	92.6	93.0	94.5	96.1	97.4	97.6	98.1	98.5	99.4	99.1	99.5	99.4	97.9
Petroleum and coal products	105.3	107.2	107.3	108.9	110.2	111.6	111.1	113.8	114.4	114.4	114.8	113.9	113.3
Rubber and plastics products, nec	105.1	106.9	110.6	113.0	114.7	113.5	116.2	118.8	119.3	121.8	118.5	107.5	105.7
Leather and leather products	69.6	71.4	72.1	74.9	77.2	77.2	78.1	79.3	78.9	79.9	78.3	79.2	76.9
SERVICE-PRODUCING	117.8	118.0	118.7	118.7	119.3	119.8	119.7	120.6	121.0	120.9	121.9	122.0	121.3
TRANSPORTATION AND PUBLIC UTILITIES	100.6	100.3	100.5	101.1	101.2	101.5	101.7	101.5	102.7	102.5	102.9	102.0	101.6
WHOLESALE AND RETAIL TRADE	113.7	114.0	114.6	114.6	115.1	115.2	115.5	116.8	116.8	116.8	118.2	117.8	117.0
WHOLESALE TRADE	110.3	110.8	111.0	111.3	112.0	111.5	112.3	113.4	113.6	113.2	114.3	113.9	113.5
RETAIL TRADE	115.0	115.2	115.9	115.8	116.2	116.6	116.6	118.1	118.0	118.1	119.7	119.3	118.3
FINANCE, INSURANCE, AND REAL ESTATE	123.2	122.3	122.9	123.5	123.7	125.1	124.5	125.1	125.8	125.5	126.1	126.2	126.2
SERVICES	129.9	130.4	131.4	131.1	132.0	133.1	132.3	133.3	133.9	133.7	134.3	135.6	134.9

[1] See footnote 1, table B-2.

p=preliminary.

Table B-6. Indexes of diffusion: Percent of industries in which employment[1] increased

Year and month	Over 1-month span	Over 3-month span	Over 6-month span	Over 12-month span
1973				
January	76.7	84.0	81.7	81.1
February	75.0	83.7	79.4	80.8
March	73.8	76.2	79.4	82.6
April	62.5	71.5	74.7	81.4
May	59.9	70.3	72.1	79.7
June	68.0	63.1	66.6	78.5
July	55.8	66.9	72.1	75.6
August	63.1	64.8	72.7	73.5
September	61.6	74.7	73.0	69.2
October	72.7	75.9	75.6	66.0
November	75.0	76.5	70.3	66.6
December	66.6	70.1	66.0	64.2
1974				
January	59.3	62.8	60.8	63.4
February	52.6	53.8	55.2	59.6
March	46.5	48.0	49.7	55.2
April	47.1	48.3	48.5	50.3
May	55.2	51.7	49.7	40.1
June	53.2	52.6	45.6	28.2
July	52.3	45.1	37.2	27.0
August	45.9	39.2	31.1	22.4
September	36.0	40.4	23.3	20.9
October	37.8	28.8	17.7	18.6
November	20.1	21.5	17.2	16.6
December	18.6	13.4	13.1	14.0
1975				
January	18.6	12.5	13.4	16.6
February	16.6	13.7	13.1	17.4
March	25.0	19.2	16.3	17.4
April	40.4	35.8	27.9	20.9
May	53.8	40.4	40.1	25.9
June	40.4	48.5	60.8	40.4
July	55.2	55.8	67.4	50.3
August	73.5	80.2	67.4	62.5
September	81.7	81.4	76.5	71.2
October	64.8	70.3	79.4	75.9
November	54.7	68.9	82.0	79.9p
December	66.6	72.7	75.6	77.6p
1976				
January	75.0	78.8	80.2	
February	70.1	81.7	79.9p	
March	70.9	78.8	76.2p	
April	75.3	79.1p		
May	64.2p	60.8p		
June	40.1p			
July				
August				
September				
October				
November				
December				

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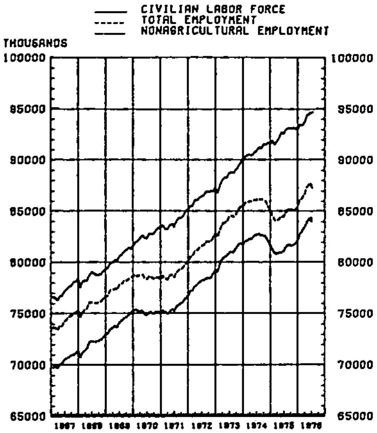
[1] Number of employees, seasonally adjusted, on payrolls of 172 private nonagricultural industries.

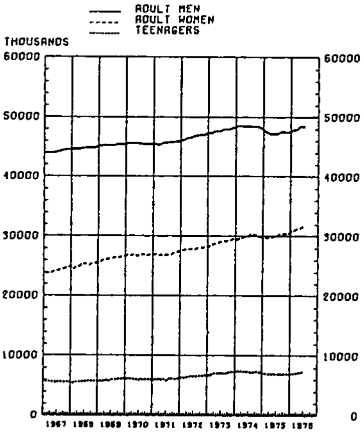
p = preliminary.

LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

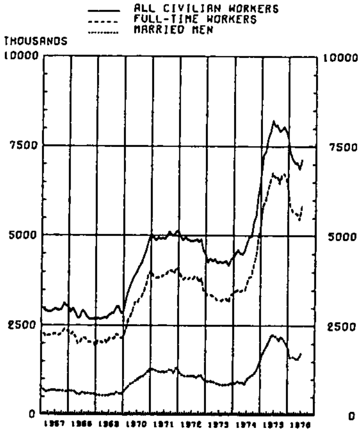
1. LABOR FORCE AND EMPLOYMENT



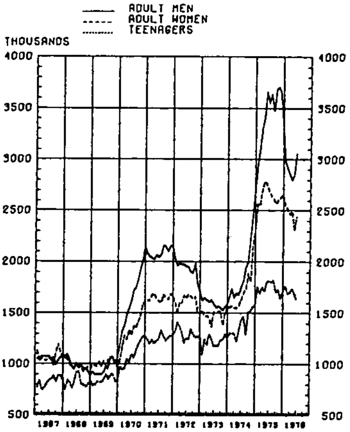
2. TOTAL EMPLOYMENT



3. UNEMPLOYMENT

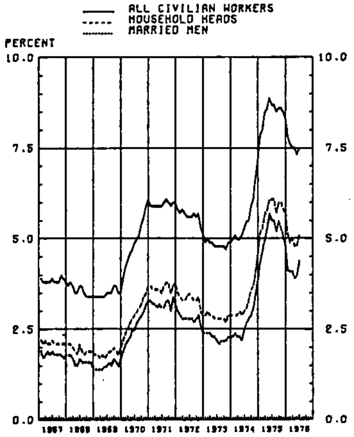


4. UNEMPLOYMENT



UNEMPLOYMENT RATES
HOUSEHOLD DATA - SEASONALLY ADJUSTED

5. UNEMPLOYMENT RATES



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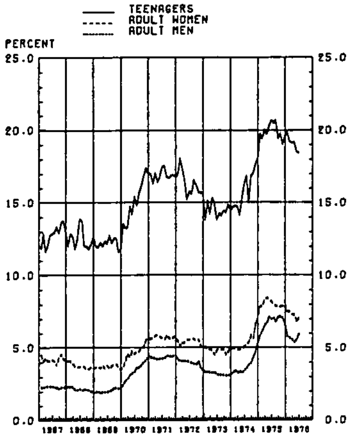
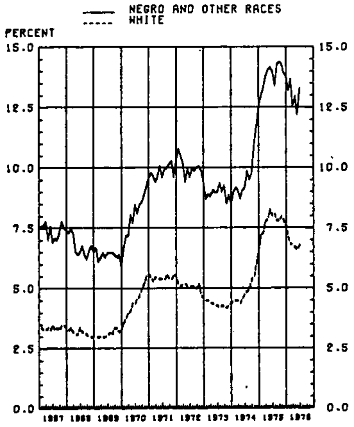


7. UNEMPLOYMENT RATES



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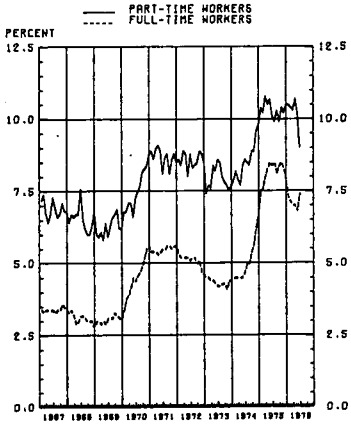
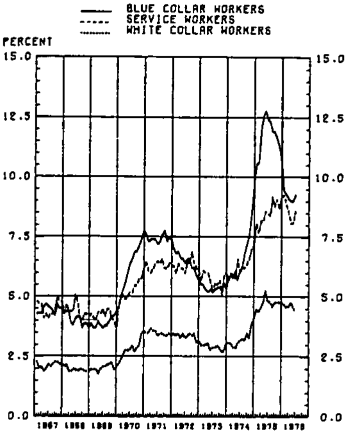
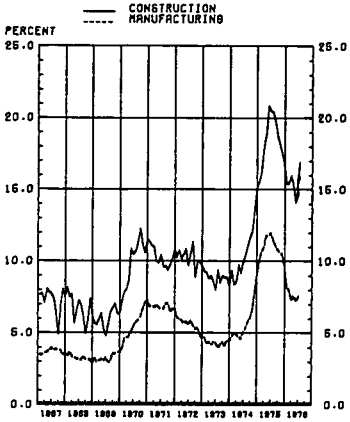


UNEMPLOYMENT
HOUSEHOLD DATA - SEASONALLY ADJUSTED

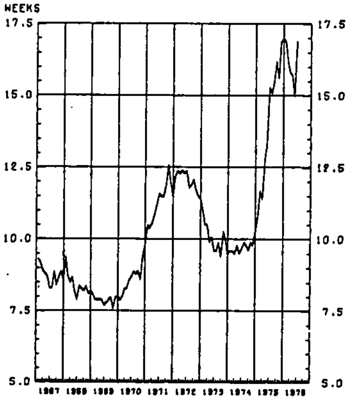
9. UNEMPLOYMENT RATES



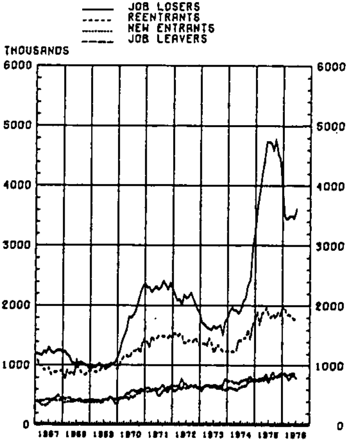
10. UNEMPLOYMENT RATES



11. AVERAGE DURATION OF UNEMPLOYMENT

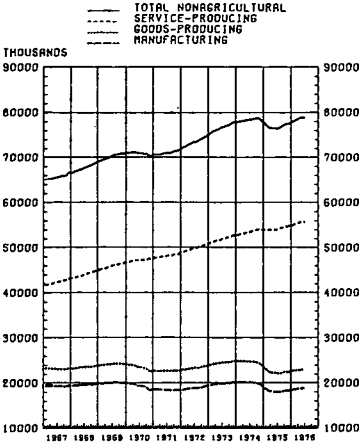


12. UNEMPLOYMENT BY REASON

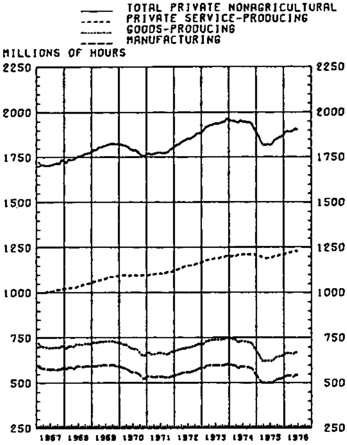


NONAGRICULTURAL EMPLOYMENT AND HOURS
ESTABLISHMENT DATA - SEASONALLY ADJUSTED

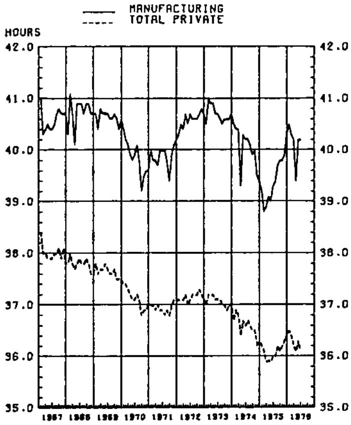
13. EMPLOYMENT



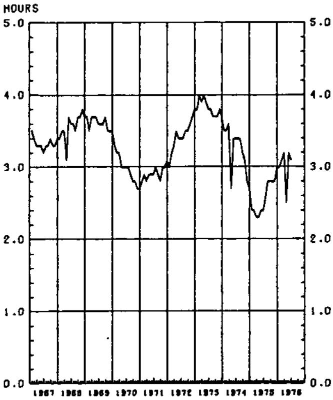
14. HOURS



15. AVERAGE WEEKLY HOURS



16. AVERAGE WEEKLY OVERTIME HOURS IN MANUFACTURING



NOTE: Charts 14 and 15 relate to production or nonsupervisory workers; chart 16 relates to production workers. Data for the 2 most recent months are preliminary in charts 13-16.

Senator PROXMIRE. Now, Commissioner Norwood, I do not want to exaggerate the importance of the increase in unemployment in June. I hope and I feel that it does not signal a downturn in the economy, or anything like that, but it does tell us several things: Number one, after dropping sharply in the last half of 1975 and in January of 1976, the unemployment rate has been on a virtual plateau ever since, at 7.6 percent in February, 7.5 in June—no real change; 7.6 percent in the first quarter, 7.4 in the second; it is now back to 7.5. So there really has not been much of an improvement this year in this fundamental indicator of the health of our economy.

Number two, the stickiness of the unemployment situation cannot be attributed to high teenage unemployment or any other special group. The unemployment rate for adult males, which would not be affected by people dropping out of school significantly, was 6 percent in June, actually the highest rate for this group since last December. We still have very, very high unemployment among all labor force groups.

Third, the drop in total hours worked in June helps bring the labor force data into line with other data, which have indicated a considerable slowing of the Gross National Product real growth rate in the second quarter.

Now, estimated either from employment data or from other information on production, it now appears that the real growth rate in the second quarter will be perhaps less than 5 percent.

In sum, we have had a real slowing down of the pace of recovery. It has slowed to a point at which we are no longer achieving reasonably rapid reductions in unemployment. Now, Ms. Norwood, have I put a reasonably accurate interpretation on these data?

Ms. NORWOOD. I think, Senator, that it is clear that we are on a plateau since last February in terms of the unemployment rate. As we indicated, the employment situation has been relatively stable, and the establishment survey has been unchanged over the last couple of months. Employment did go down somewhat in the household survey. One can certainly indicate that there are now 7 million or more people unemployed. There are also, of course, many more people who are employed than was the case a year ago, and I think perhaps the best way to characterize this month's 7.5 percent is that it is about the level that we have been at since last February.

Senator PROXMIRE. Well, you have mentioned one very discouraging aspect of this, and that is that employment did not increase; in fact, there was a slight drop in employment in the month of June. I think it is a rare thing that that happens in June, if only because there are so many more people seeking work, and the jobs that were unfilled tend to be filled by the young people coming into the work force. So to have employment actually go down is another indication that this is not simply a seasonal accident, and it seems to me, it is a red flag for us.

Ms. NORWOOD. Senator, the drop in employment, of course, was seasonally adjusted.

Senator PROXMIRE. It was seasonally adjusted?

Ms. NORWOOD. Yes.

Senator PROXMIRE. Well, that helps some, but it was still a drop in employment, the first ones that we have had in recent months.

Now, the jump in the adult male unemployment rate from 5.6 percent in May to 6 percent in June—I stress that, from 5.6 to 6 percent—certainly is a significant increase in unemployment by any measure, statistical increase, an alarming and sharp increase, again, a group that was not affected by young people entering the work force, by and large.

That indicates that unemployment is still very high among that group, which many economists consider a basic measure of the labor market situation.

Rates for adult women and for household heads also jumped. Do you have any explanation of why these rates went up? Could there be a seasonal adjustment problem involved here?

Ms. NORWOOD. I do not think so. I think that our seasonal adjustment methods this month have worked really quite well.

I think that probably what has happened is that we have had a very vigorous expansion in employment and that we are now having a pause in that expansion.

Senator PROXMIRE. Can you relate it to developments in any particular industry or sector of the economy?

Ms. NORWOOD. No. It seems to be fairly widespread. The service industries seem to have gone up slightly and other industries generally have remained fairly stable. There has been some drop in construction activity.

Senator PROXMIRE. A further drop in construction?

Ms. NORWOOD. Yes.

Senator PROXMIRE. I said at the beginning, and you seemed to agree, that this was not a downturn in the economy, or anything of the kind. I am not so sure about that, and I would like to get some reassurance on that score.

This is something, I think, that Mr. Burns addressed himself to yesterday, when he said he thought this was simply a pause now. He said the economy did not grow as fast in the second quarter as it did in the first but he thinks it will grow in the coming half year.

But I would like to hear from you if there is any solid evidence in the employment or unemployment statistics that would indicate that this is, as you say, a pause, and that we are likely to move ahead. What makes you think that?

Ms. NORWOOD. As you know, Senator, first of all, the whole BLS staff has given a great deal of attention to these data, and there are some aspects of them that appear somewhat puzzling. I think, however, that one cannot put too much emphasis on 1 month's data. This is always a problem for statistical agencies. You have 1 month which is good or bad, and people try to read into it developments for a whole year.

Senator PROXMIRE. Well, that is true, but you and I have just gone through the past 4 months and found little or no improvement in unemployment during that period.

Ms. NORWOOD. Well, that certainly indicates that there has been some stability.

Senator PROXMIRE. Well, that is true, but stability at a very high rate of unemployment.

Ms. NORWOOD. Yes, yes; I think that is quite true.

Senator PROXMIRE. And not the kind of recovery that most people had hoped for, as far as unemployment is concerned. Total hours worked dropped because of the drop in average weekly hours per worker, which fell back to what is an unusually low level, at 36.1 hours, on the average. That must be one of the lowest levels in our history, even including the Great Depression.

Apparently, that was not reflected in manufacturing, where hours worked remained at 40.2. How do you account for that big drop in average hours worked to only 36.1?

Ms. NORWOOD. It is a drop, and I do not know how to account for it, Senator.

Senator PROXMIRE. Now, many people use a rule of thumb that output has to grow about 4 percent per year to absorb labor force growth and productivity gains. To reduce unemployment requires output growth above 4 percent, and of course I think it is Okun's Law that indicates that an additional 3-percent output growth is required for each percentage point per year reduction in the unemployment rate.

Is there anything in recent labor force trends or productivity trends that would suggest we should modify that rule with respect to the next year or two?

Ms. NORWOOD. I do not think so. Obviously, of course, in evaluating the growth of the economy, one has to look at a whole series of indicators, including unemployment, but I do not see anything that would change its institutional relationships.

Mr. STEIN. Mr. Chairman, we are expecting labor force growth on the average of about 2 million a year.

Senator PROXMIRE. Expecting what?

Mr. STEIN. Labor force growth over the course of the next several years to average about 2 million a year, so that certainly would not change the formulation that you were describing before.

Senator PROXMIRE. Well, then, we get what we ought to expect. If we had a growth in the second quarter of the year of 4 percent in real terms, you would expect unemployment to remain at about a stationary level and not improve, not much anyway, and that is about what happened.

So that, unless we get a recurrence of 7 or 8 percent growth, we are not going to get any real diminution in unemployment in the coming 3 months or 6 months.

The economy has experienced a combination of a sharp slowdown in the industrial sector during the last month, a drop in the average weekly hours worked, a drop in manufacturing employment, as it had in May, and the diffusion index which you have mentioned, of nonagricultural unemployment shows that only two-fifths of the industries covered posted employment gains in June, compared to almost two-thirds in May.

This is the first time I can recall in a long time when the diffusion index did not indicate a majority of firms gaining in employment; in fact, maybe it is the first time in a year.

Ms. NORWOOD. Yes, that is right, Senator. Of course, one should be careful in not using a single month, in that it is a difficult index to interpret.

Senator PROXMIRE. I realize that, and I also realize that after you go up to a certain point, you cannot expect to get the same amount of growth, although this turndown does seem to have some significance, since it is so widespread throughout our economy. It is not as if one industry was having a particular problem that would take care of itself in another few months.

Are there any special factors which explain what appears to be a widespread slowdown in the recovery of nonagricultural payroll employment?

Mr. STEIN. Well, we have seen a failure in construction employment to pick up. That has been fairly stable for some period of time.

Senator PROXMIRE. This has to do with housing starts, for example, which have been fairly stable; in fact, they have been dropping a little bit lately?

Ms. NORWOOD. Of course, housing permits are up, but there is a lag before they actually come into production.

Senator PROXMIRE. How much are they up?

Ms. NORWOOD. I do not have that figure, but they are up, according to yesterday's newspaper.

Mr. STEIN. Figures for the last 2 months seem to indicate a bit of a slowdown in State and local government employment, an area which had been quite a growth factor up until recently. Again, we do not want to overemphasize 1 month or 2, but this was something that stood out in our examination of the figures. State and local government had previously provided quite a bit of total employment expansion.

Senator PROXMIRE. That accounts for a large proportion of the total population of the country too.

You say the growth has slowed down? It has not declined, but it has slowed down?

Ms. NORWOOD. Yes, it has slowed down.

Mr. STEIN. It has not declined, but it has slowed down.

Senator PROXMIRE. I notice that in contract construction the number employed, seasonally adjusted, is precisely the same as where you do not have seasonally adjusted, because of course it is the same month. In June of 1975, it was 3.4, roughly, and in June of 1976, it is 3.4. It is most discouraging, when you have a growing country with a growing number of people, and there is no improvement at all in employment in a very major industry.

Again, that seems to me to be one of the problems with the extremely high level of interest rates we have.

Now, I would like to ask about prices a little bit. The Wholesale Price Index for June is not available. We do know, from an Agricultural Department release, farm prices rose 2 percent in June. Now, that is a very, very big increase in 1 month. I hate to multiply it by 12 and say it is 24 percent at an annual rate, but anyway, they did rise 2 percent in June.

Could you explain what that is likely to imply for the June Wholesale Price Index, as well as for the future course of consumer prices?

Ms. NORWOOD. Well, as you know, Senator Proxmire, we cannot forecast, but I can tell you that a significant rise in food prices will show up in the Wholesale Price Index. Food prices have a lower weight in the Wholesale Price Index than they do in the Consumer Price Index.

There is also a problem of timing in the Wholesale Price Index and the Consumer Price Index, in terms of when these increases will show up; but as you know, food prices in general, in both of the price indexes, tend to go up and down, partly because they are very heavily affected by seasonal movements.

Senator PROXMIRE. Well, I realize that, but when you plot what has happened over the last 3 months, in April the increase was 2 percent; in May, 1.5 percent; in June, it was 2 percent. That is a pretty steady increase.

Now the Agriculture Department says, and I quote now: "The latest farm price boost was expected and will not alter the prediction that retail food prices will rise 3 to 4 percent for all of 1976." That seems to me to be highly optimistic, in view of the fact that you have had this sharp increase in the spring.

Furthermore, as you know, at least in our section of the country, we have had very, very bad weather conditions, a serious drought, the worst drought Minnesota has had in 100 years, and in northwestern Wisconsin, it is just as bad.

Ms. NORWOOD. Yes, the data you are citing really are the Department of Agriculture figures. Their retail food prices are based in part upon some data from the Consumer Price Index, plus some other data from which they develop forecasts. But as I have indicated, I think it is very hard to relate the agriculture forecast to the Consumer Price Index over a long period of time. Certainly, some of those developments will show up.

Senator PROXMIRE. Now, the staff reminds me of something I should have called your attention to a minute ago when we were talking about State and local employment. Was not one of the major factors which held up State and local employment, increased employment and helped to hold down unemployment during the recession and recovery the increase in public service employment under CETA? Could not the recent slowdown in State and local employment represent, therefore, a more basic, underlying trend, because we are not going to have CETA stimulation of the kind we had before? Is it not likely that there will continue to be a weakness in State and local employment?

Ms. NORWOOD. Well, that is certainly possible, Senator. I do not think there is any way of knowing, because we have no way of counting the effect of the public service employment jobs, that is, the number of public service employment jobs that are counted in the survey; so that it is a very difficult thing for us to isolate, but it certainly could have an effect.

Senator PROXMIRE. Let me ask a question on an issue that I think many, many thoughtful people are concerned about. The New York Times had a fascinating article, I think last Sunday, on a pilot project in Carbondale, Ill., to provide intensive counseling to unemployed people, with remarkable results.

Carbondale, Ill., as you know, is where Southern Illinois University is located and it has an unemployment problem which many university towns seem to have, with many people seeking work and many more than there are jobs available.

They found that by counseling people, they were able to greatly increase their opportunity to get work. On the average, they were able to get work in less than 2 weeks if they were counseled, much longer if they were not. They found the attitude was much more important than the skill, which surprised me. What is more important than whether he can type well, or is a good mechanic, or whatnot, is his attitude, his willingness to try to get a job, and his willingness, when he got the job, to do whatever he has to do, and that kind of thing.

I just wonder if the Bureau of Labor Statistics has any information on similar programs and whether or not this kind of action is more than just bootstrap hoisting. Could this result, in your judgment, in an overall reduction in unemployment—inasmuch as, if carried out on a big scale, if we had massive counseling throughout the country, on the gounds that there are a number of unfilled jobs that have remained unfilled because people are not willing to take them or do not know about them, or are not willing to go out and look for them—in your view, could this be a helpful long-range improvement in the unemployment situation?

Ms. NORWOOD. Well, Senator, I think that any counseling is helpful, and that any worthwhile approaches to the counseling problem will certainly have some effect on job search possibilities of unemployed people.

As you know, we have an extensive program in the Bureau of Labor Statistics on occupational outlook, and we have been working closely with the Employment Training Administration and the Office of Education in trying to develop material and to be sure that those people who are involved in the counseling process are aware of the materials that are developed. We are also trying to see whether there are new kinds of materials which are needed to be aimed at particular target groups.

Senator PROXMIRE. How substantial is this program?

Ms. NORWOOD. Our program?

Senator PROXMIRE. Yes.

Ms. NORWOOD. I can submit that for the record. My estimate would be somewhere about $1.5 million a year.

Senator PROXMIRE. So it just barely scratches the surface? It would affect a tiny proportion. Maybe 1 percent, maybe less would get counseling under this?

Ms. NORWOOD. Well, Senator, I am talking now about the Bureau of Labor Statistics program to develop occupational outlook materials. In addition to that, of course, the Office of Education has rather extensive counseling work under way, and the Employment and Training Administration.

Senator PROXMIRE. But even that, if we take all of the counseling that we have, all of that kind of thing, it still is very limited, is it not? It does not reach most unemployed people.

Ms. NORWOOD. Yes, I believe so.

Senator PROXMIRE. It does not reach most unemployed people. The great majority of unemployed people are not counseled.

Ms. NORWOOD. Secretary Usery has been very concerned about this, particularly with young people, and he has established an official group to undertake additional work in this whole area, including special pilot projects and development of information and also a group which will be working with the Employment Security Agencies. Mr. Burdetsky, who is the Deputy Assistant Secretary in the Employment and Training Administration, is leading that group. We are participating as technical advisers.

Senator PROXMIRE. There are a couple of very, very simple notions here. One is whether or not the job applicant is willing to take any work, cleaning sewers, whatever, with the understanding that once you get a job, you are in much better shape to get another job. Once that understanding is accepted, and people recognized that the more jobs you look for, the better your chance—if you keep looking, hour after hour, day after day, you are going to get a job.

Ms. NORWOOD. That is an interesting point.

Senator PROXMIRE. That seemed to do it. I think 90 percent of these people were able to get employment, with a remarkable——

Ms. NORWOOD. Of course, as you know, we have a survey underway—I guess the actual collection has been completed, and it is in the process of being tabulated, on the intensity of job search, in which we hope to have an additional body of information which will shed some light on what kinds of jobs, what kinds of search activities, and what the views are of the people who are really looking for work.

Senator PROXMIRE. There was another fascinating little human interest story that was not really connected with this, but it seems to me it has relevance, a family that decided that they would go to every single State in the Union to look for work, and they started with no money at all, and they made a bet that they could do it, and they did it.

There were three of them, and they all found jobs, all kinds of jobs like mowing lawns, recapping tires, washing dishes, and whatever, but they found work everywhere, every single State of the Union, and they found it quickly in every case. They were just willing to do it. They went out and tried it, and it worked.

Now, I realize that this does not mean that anybody who wants a job can find it, and there are many people, of course, who have to have enough income so they can support their family. You cannot expect people to take a job that would put them in a position where they would not have that kind of income.

Nevertheless, I do think that counseling and advice and an understanding of the available opportunities would be temendously useful for us.

May I ask you this. A few days ago, the BLS released some comparisons of employment productivity and unit labor costs in manufacturing in various countries for 1975. These data showed dramatic differences in the rate of increase in unit labor costs. Measured in U.S. dollars, unit labor costs rose 11 percent in this country in 1975, which sounds like plenty, but in Britain, costs rose 22 percent, and in France, they rose 38 percent.

Now, the pattern behind these differences seems to be that in the United States, employees were laid off quite rapidly, as output declined during the recession. Output fell 9.8 percent; hours worked, 9.2 percent. In other countries, there was much more of a tendency to keep employees at work during the drop in output, so the United States reaped the benefit, in terms of lower production costs, but we paid the price, in terms of a higher unemployment rate.

Ms. NORWOOD. I do not think that is——

Senator PROXMIRE. Do you follow that?

Ms. NORWOOD. Yes, I follow that.

Senator PROXMIRE. Now, why do you disagree with that conclusion?

Ms. NORWOOD. I am not sure that I agree completely with it, Senator Proxmire. I think that in many countries, particularly European countries, there is a very large migratory work force, and in many cases, the people who have immigrated for jobs then lose their jobs, and they do go back to their original country, and that causes problems of unemployment, then, for the other country.

I was recently in Paris at an OECD meeting. It was a working party.

Senator PROXMIRE. I am sure that is true in Germany. I wonder if it is true in countries like Britain, or as true in France as it is in Germany.

Ms. NORWOOD. Well, it certainly was a problem, according to the discussion in the OECD working party, for the French, perhaps not so much for the British.

Senator PROXMIRE. Does the Bureau of Labor Statistics have any statistics on how many young people are expected to enter the labor force during the summer months and how this compares with previous years' experience?

Mr. STEIN. Let's see. We did put a report out on that, Senator, and we will submit it for the record. We do not have it with us.

Senator PROXMIRE. Well, what does that report show?

Mr. STEIN. As I recall the figures, it was something on the order of 2.5 to 3 million.

Senator PROXMIRE. During the summer?

Mr. STEIN. During the summer months.

Senator PROXMIRE. What proportion of those would be returning to school?

Mr. STEIN. The majority were those who would return to school, but a little over 1 million were expected to remain in the labor force.

[The following information was subsequently supplied for the record:]

YOUTH LABOR FORCE EXPECTED TO REACH 25.8 MILLION THIS SUMMER

The youth labor force—ages 16 to 24—is expected to reach 25.8 million by July 1976, about 600,000 greater than in July 1975, according to estimates published today by the Labor Department's Bureau of Labor Statistics. This estimated increase reflects the further growth of the youth population and assumes a continuation of the upward trend in the labor force participation rates of this group.

Each summer the school-age labor force increases sharply as students enter the job market for summer work and as high school and college graduates, who were not in the labor force while attending school, take or look for regular jobs. About 3.9 million youths age 16 to 24 can be expected to enter the labor force in the summer of 1976. The anticipated April-to-July increase is 235,000 smaller than last year's gain, mainly because relatively more youth were already in the labor force in April 1976 than at the depth of the recession in April 1975. Labor force participation rates for youth in April 1976 were higher than those recorded in April 1975.

Students entering the labor force for temporary summer jobs are expected to account for about 2.5 million or 64 percent of the total increase from April to July. The rest, 1.4 million, will be high school and college graduates entering the work force on a permanent basis. In addition, another 725,000 students who were already in the work force in April (most of them employed part time) probably will be shifting to full-time labor market participation after they complete school.

The data in this release are based on statistics obtained for the Bureau of Labor Statistics by the Bureau of the Census in its Current Population Survey. Detailed data from this survey are published monthly in Employment and Earnings.

ESTIMATED SUMMERTIME INCREASE IN CIVILIAN LABOR FORCE 16 TO 24 YR OLD, BY AGE, 1976

[Numbers in thousands]

Date	16 to 24 yr	16 to 21 yr			22 to 24 yr
		Total	16 to 19 yr	20 to 21 yr	
1976:					
April (actual)	21,941	13,727	8,381	5,346	8,214
July (estimate)	25,839	17,320	11,297	6,023	8,519
Estimated increase in labor force, April to July	3,898	3,593	2,916	677	305
1975 (actual):					
April	21,101	13,164	8,024	5,140	7,937
July	25,234	16,959	11,077	5,882	8,275
Increase in labor force, April to July	4,133	3,795	3,053	742	338
Over-the-year change in labor force:					
April 1975 to April 1976 (actual)	840	563	357	206	277
July 1975 to July 1976 (estimate)	605	361	220	141	244

Senator PROXMIRE. Does the Bureau of Labor Statistics know what percentage of discouraged workers are teenagers?

Mr. STEIN. Yes, we do have that information.

Senator PROXMIRE. What percentage is that?

While you are looking for that, I would also like to know whether they constitute a smaller or larger percentage of the discouraged now than during low unemployment periods. I presume that they would be a large percentage, but perhaps not.

Mr. STEIN. We have got figures on discouraged workers with us, but they are not by age, so again, I would have to submit that for the record, Senator.

[The information referred to follows:]

TEENAGE DISCOURAGED WORKERS AS A PERCENT OF TOTAL DISCOURAGED WORKERS, 1967-76

[In thousands]

	Annual averages									2d quarter 1976 (not seasonally adjusted)
	1967	1968	1969	1970	1971	1972	1973	1974	1975	
Total unemployment rate	3.8	3.6	3.5	4.9	5.9	5.6	4.9	5.6	8.5	7.9
Total discouraged workers	732	667	574	638	774	766	679	686	1,082	904
Discouraged workers, 16 to 19 yr	112	109	95	120	139	132	133	123	178	155
Percent of total discouraged workers	15.3	16.3	16.6	18.8	18.0	17.2	19.6	17.9	16.5	17.1

Senator PROXMIRE. Now, the Bureau has recently begun publication of a new statistical series called the employment cost index. It is intended to measure changes in the rate of compensation for a standardized mix of labor services, much as the Consumer Price Index measures the price of a standard market basket of goods. Can you explain briefly how this information is obtained and what the usefulness of this new series will be? That is, what information does it provide that is not already available in existing series on wages and compensation?

Ms. NORWOOD. The data for the employment cost index are collected from a sample of establishments and the unit of observation is an occupation in an establishment. The attempt is to develop a market basket, perhaps one might say—using a comparison with the CPI—of occupations, and to keep those occupations within broad definitions, that is, the census occupations, constant over time.

It will be a base-weighted index, and when completed, it will be a very valuable, we believe, indicator, a macroindicator of what is going on in employment cost trends.

Senator PROXMIRE. How does it differ from unit labor cost?

Ms. NORWOOD. Well, it is entirely different, Mr. Chairman, because——

Senator PROXMIRE. But would you expect it to move differently?

Ms. NORWOOD. I do not know how it will move, but we certainly have evidence that occupational wage costs, by occupation and by industry, are frequently different from the total. You see, the point of it is to——

Senator PROXMIRE. Why? I would think that the unit labor cost would be the same.

Ms. NORWOOD. Well, the point of this is to take care of, or to hold constant, any shifts in occupation, as well as in the industry. Now, you do not do that in an overall labor cost measure.

Senator PROXMIRE. So, the difference is that you would sectorize. You would do it by sectors?

Ms. NORWOOD. By occupational wage rates and benefits.

Senator PROXMIRE. How often do you plan to publish this series?

Ms. NORWOOD. Once a quarter.

Senator PROXMIRE. I notice it will eventually be expanded to cover fringe benefits, as well as wages, and to provide seasonally adjusted data. What is your timetable for doing that?

Ms. NORWOOD. Yes. Next year, we hope to add fringe benefits. We expect to be out in the field in the fall, collecting the outlays for compensation other than wages. Then, we have money in the 1977 budget to move into governments.

Senator PROXMIRE. Now, the release shows that for the 6 months ending in March, the index rose 3.8 percent, standardized wage and salary measure. I realize this is not a seasonally adjusted measure, not an annual rate; but would it be accurate to state that it would just continue to rise at that same rate for the next 6 months and would produce an annual increase of about 7.6 percent?

Ms. NORWOOD. Well, I would not want to speculate about what might happen, Senator.

Senator PROXMIRE. Do you have any information or seasonal patterns that would suggest that it might be different in the coming 6 months?

Ms. NORWOOD. It is very hard to apply any assumptions based on other data to this new data, because none of our other data really control for occupational wages as the employment cost index does.

Senator PROXMIRE. We have received from the Congressional Research Service of the Library of Congress an analysis of Bureau of Labor Statistics data on long-term unemployment. This special data compilation provides information on the characteristics of those unemployed 27 weeks (6 months) or longer—their age, sex, family responsibilities and so forth. One interesting pattern that these data reveal is that long-term unemployment is heavily concentrated among adult family heads. For example, 60 percent of those unemployed 6 months or more are adults between the ages of 25 and 54 and over half of these are heads of families. In contrast, only 45 percent of the total unemployed fall within this age group.

It is true that in some of these families there are other family members who are employed. Nonetheless, this group of long-term unemployed—especially those who are family heads—surely constitute one of the most serious social problems with which we are confronted.

Without objection, I will place in the record a table comparing the characteristics of the long-term unemployed with those of the total unemployed in October 1975.

[The table follows:]

CHARACTERISTICS OF THE UNEMPLOYED, TOTAL AND LONG-TERM, OCTOBER 1975

[Numbers in thousands, not seasonally adjusted]

Item	Total unemployment		Long-term unemployment (27 weeks and over)	
	Number	Percent of total	Number	Percent of total
All persons	7,418	100.0	1,296	100.0
White	5,993	80.8	1,073	82.8
Black and other	1,425	19.2	223	17.2
Age 16 to 24	3,446	46.4	303	23.4
Age 25 to 54	3,336	45.0	784	60.5
Age 55 and over	636	8.6	209	16.1
White collar	2,160	29.1	359	27.7
Blue collar	3,053	41.2	744	57.4
Service	1,119	15.1	129	10.0
Farm	122	1.6	6	.5
Male	3,933	53.0	811	62.6
White	3,203	43.2	685	52.9
Black and other	730	9.8	126	9.7
Age 16 to 24	1,838	24.8	195	15.0
Age 25 to 54	1,728	23.3	489	37.7
Age 55 and over	367	4.9	128	9.9
White collar	741	10.0	153	11.8
Blue collar	2,292	30.9	570	44.0
Service	383	5.2	64	4.9
Farm	94	1.3	3	.2
Female	3,485	47.0	485	37.4
White	2,790	37.6	388	29.9
Black and other	695	9.4	97	7.5
Age 16 to 24	1,608	21.7	108	8.3
Age 25 to 54	1,608	21.7	296	22.8
Age 55 and over	269	3.6	82	6.3
White collar	1,418	19.1	206	15.9
Blue collar	761	10.3	174	13.4
Service	736	9.9	65	5.0
Farm	29	.4	3	.2

Source: Bureau of Labor Statistics, Congressional Research Service.

Senator PROXMIRE. Ms. Norwood, I want to thank you very much. I think what we have here this morning indicates that we should not be as automatically optimistic as some of us have been about the recovery.

This indicates that we ought to be very concerned about it. This may or may not mean that we are going to slow down a great deal.

It conceivably could mean that the recovery may not continue, but it is certainly a significant sign, when, as you have pointed out, the unemployment rate has not significantly improved over a 4 or 5 month period and when employment itself, even though it is only for a month, is declining; when this is particularly reflected among adult workers, and a big increase among adult workers who are unemployed.

I want to thank you very much for your appearance, and we hope that Mr. Shiskin will recover shortly, but in his absence, we certainly welcome you.

Ms. NORWOOD. Thank you very much.

Senator PROXMIRE. The committee will stand adjourned.

[Whereupon, at 11:56 a.m., the committee adjourned, subject to the call of the Chair.]

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