



WEEKLY ECONOMIC DIGEST

JOINT ECONOMIC COMMITTEE

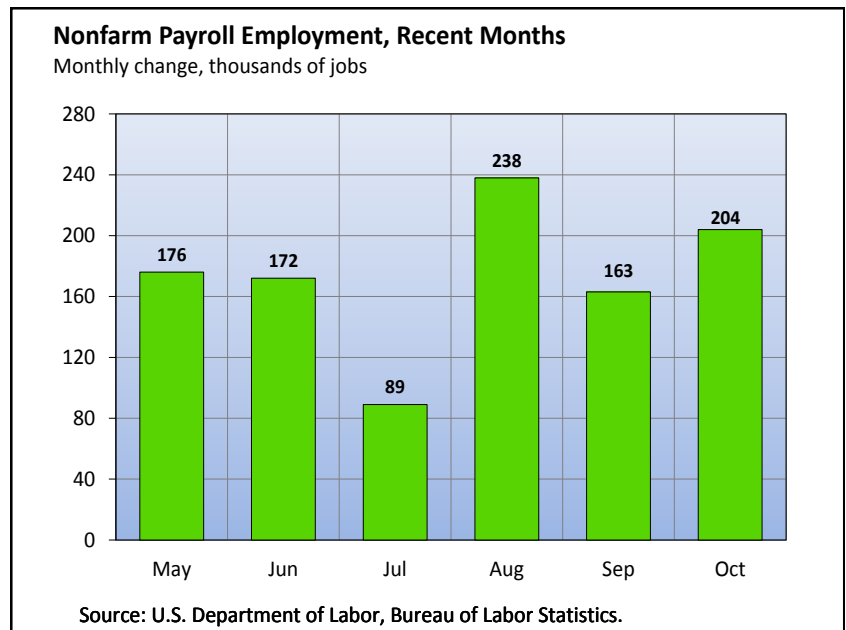
Sen. Amy Klobuchar, Vice Chair
Rep. Carolyn Maloney, Senior Democratic House Member

November 13, 2013

October Job Gains Were Larger Than Anticipated

Monthly job gains have averaged over 200,000 for the last 3 months

- Total nonfarm employment rose by 204,000 jobs in October, according to the Department of Labor survey of establishments (see chart).
- Job growth was substantially stronger than most forecasters had expected.
- The Department also revised upward its estimates of payrolls in August and September by 60,000 jobs, so job gains have averaged 202,000 jobs per month over the last three months.
- Employment growth in October reflected fairly broad-based gains in the private sector (up 212,000 jobs) that were partly offset by declines in government employment (down 8,000 jobs).
- Federal government employment continued to decline in October (down 12,000 jobs) and has shed 94,000 jobs over the past year. The latest decline in federal employment does not reflect the furloughs of federal workers last month because those workers ultimately received pay for the furlough period, which means they are counted as employed by the criteria of the Department's survey of establishments.
- Over the first 10 months of the year, private nonfarm employment increased by 1.9 million jobs, outpacing job growth at the same point last year.
- Since the jobs recovery began (in February 2010), the economy has created 7.8 million new private-sector jobs, making up for nearly 90 percent of the jobs lost during the downturn. Service-sector employment has already surpassed the level that prevailed before the recession began. Employment in goods-producing industries (principally, construction and manufacturing) remain below pre-recession levels.



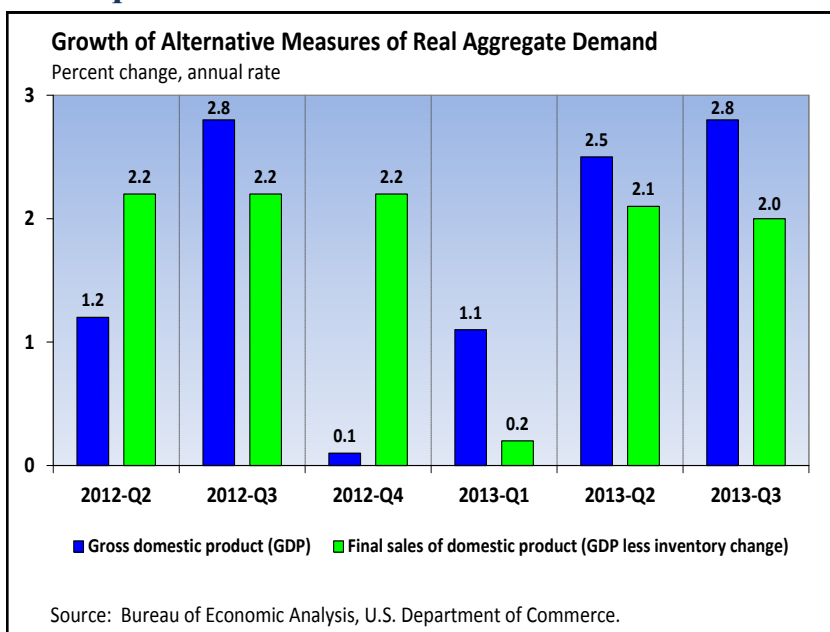
WEEKLY ECONOMIC DIGEST

Unemployment edged up, labor force participation dipped last month

- The unemployment rate increased by 0.1 percentage point to 7.3 percent of the civilian labor force in October, according to the Labor Department's survey of households.
- Some of the October increase in unemployment reflects the temporary impact of the federal furloughs.
- Labor force participation (the fraction of the population that is either working or actively searching for work) declined in October.
- However, the Labor Department warns that the October household survey includes more than the usual amount of survey error, making the October data less reliable than they might normally be.

The U.S. economy accelerated in the third quarter

- Real (inflation-adjusted) gross domestic product (GDP) grew at a 2.8 percent annual rate in the third quarter, after growing 2.5 percent in the second quarter (see chart).
- That acceleration in the third quarter largely reflected an uptick in inventory accumulation. Final sales (a measure that excludes inventories) grew at only a 2.0 percent pace in the third quarter.
- The federal government was a net drag on GDP growth for the fourth consecutive quarter.



THE WEEK AHEAD

DAY

SELECTED UPCOMING DATA RELEASES & EVENTS

- Wednesday, Nov. 13** JEC Hearing: "The Economic Outlook" with Council of Economic Advisers Chairman Jason Furman, Hart Senate Office Building, Room 216, 2:30 p.m.
- Thursday, Nov. 14** U.S. International Trade in Goods and Services (September)
- Friday, Nov. 15** Industrial Production (October)
Monthly Wholesale Trade Report (September)