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EMPLOYMENT-UNEMPLOYMENT

HEARINGS

BEFORE THE

JOINT ECONOMIC COMMITTEE CONGRESS OF THE UNITED STATES

ONE HUNDRED SECOND CONGRESS

SECOND SESSION

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OCTOBER EMPLOYMENT SITUATION

FRIDAY, NOVERMBER 1, 1991

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

The Committee met, pursuant to notice, at 9:32 a.m., in room SD–628, Senate Office Building, Honorable Paul S. Sarbanes (chairman of the Committee) presiding.

Present: Senator Sarbanes, and Representatives Solarz, Armey and Fish.

Also present: William Buechner, professional staff member.

OPENING STATEMENT OF SENATOR SARBANES, CHAIRMAN

SENATOR SARBANES. The Committee will come to order.

The Joint Economic Committee is meeting this morning to examine the employment and unemployment situation for October. We are very pleased to welcome back again this morning Commissioner Janet Norwood of the Bureau of Labor Statistics, who is here with her colleagues to testify on the October data.

Today's report, which has already been released to the press, is grim news for America's workers. The unemployment rate rose to 6.8 percent in October, reversing whatever modest improvement there was in September when the rate went down to 6.7 percent.

Employment for this last month fell to 200,000, according to the household survey, while the payroll survey reported job declines in construction, manufacturing and retail trade.

Today, there are 1,800,000 more people unemployed than when the recession started more than a year ago.

Earlier this week, the Commerce Department released figures showing GNP growth of 2.4 percent for the third quarter, and many seized upon that as confirmation that the recession was over.

In my view, history does not support this judgment. In fact, of the eight previous postwar recessions since World War II, six of the eight were punctuated by a positive quarter of GNP growth, only to be followed by at least one further quarter of GNP decline.

So, this raises the question of a double-dip recession, which is something that we hope to explore with the Commissioner this morning.

Furthermore, the rebound in GNP in the third quarter was extremely weak by historical standards. In the eight recessions since World War II, this is the weakest increase in GNP after a downturn.

In fact, the average rate of growth in the first quarter following a recession was 7.6 percent, which is triple the 2.4 percent rate posted for the last quarter of 1991.

What has happened is that the positive growth reflected in this past quarter was less than the positive growth reflected in the first quarter coming out of any previous recessions. The three quarters of decline that we had experienced in GNP marked only the fourth time that the economy had declined three quarters in a row.

The sum total of this is that the weak GNP growth combined with today's weak employment report suggests very strongly that the economy remains in considerable trouble. The recession has now lasted for 15 months, making it only 1 month short of the recessions of 1973-1975 and 1981-1982, the two longest and worst recessions of the postwar period.

So, the assertion that this is a short recession can no longer be made.

There are still no signs of sustained recovery. The Commerce Department announced yesterday that new orders for durable goods fell 3.2 percent in September and 4.1 percent in August. Housing starts and building permits have both fallen since July. Sales of existing homes have fallen for three straight months, despite lower mortgage interest rates. Consumer confidence has fallen 12.5 points in October. It is now only 6 points above the lowest level in the 1981-82 recession.

Commissioner, you have also issued this week a report with respect to family earnings, and as I understand it, that report indicates that family earnings adjusted for inflation have declined more than 2 percent in the quarter of this year compared to a year ago.

So, in real terms, family earnings are down compared to a year ago.

Obviously, all of these indicators are cause for serious concern, and we look forward to exploring this information with Commissioner Norwood this morning.

Before turning to the Commissioner for her opening statement, I yield to Congressman Armey who is here with us.

OPENING STATEMENT OF REPRESENTATIVE ARMEY

REPRESENTATIVE ARMEY. Thank you, Mr. Chairman.

It is a pleasure again to welcome Commissioner Norwood and her colleagues before the Joint Economic Committee.

The October employment data seem consistent with the view that the economy is stuck in neutral. Lack of progress in job creation and reducing unemployment is a matter of concern.

Clearly, we need to get the economy moving again to improve economic opportunities for all Americans.

In recent years, congressional actions to increase the tax and regulatory burdens on an already vulnerable economy deepened and prolonged the

recession and now undermine the recovery. It is regrettable that Congress did not act on the President's recommendations in 1989 to have a pro-growth tax package. Or the Jenkins/Archer proposal to reduce capital gains and provide stimulus for the economy that passed the House in 1989 by a hundred votes. Or even on a DeLay/Wallop-type proposal, such as those offered earlier this year to help us come out of the recession.

Instead, Congress enacted at the inception of the recession the largest tax increase in the history of the United States.

Fortunately, there are signs of hope that all congressional Democrats do not believe that America is unable of moving toward prosperity through the stimulation of tax policy.

I'd like to salute especially Senators Bentsen and Bradley for their constructive leadership in proposing measures to lower the tax burden on the economy. While I do not completely agree with all their provisions in their proposals, I do think that they are moving in the right direction toward lower taxation and higher economic growth.

As they develop their proposals and further emulate proposals like those offered earlier by DeLay and Wallop, I believe they will come to a point where we can develop and pass through Congress a pro-growth, pro-family, supply-and-demand-side tax incentive package.

If we fail to do so, we will remain frustrated by our hope that, by monetary policy alone, we can provide this stimulus.

I'm always reminded of the insight given to us in this regard by Milton Friedman in the 1960s that you cannot push on a string. And we, I think, have to come to the point where we recognize that even though money matters that it does not matter alone. We must provide fiscal stimulus to this economy to help ease the burden of exessive government spending and make it possible for the economy to climb out of the recession.

I thank you again, Mr. Chairman, and I again welcome Dr. Norwood and her cohorts.

SENATOR SARBANES. Congressman Fish, did you have an opening statement?

REPRESENTATIVE FISH. No, I don't. Thank you, Mr. Chairman.

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

STATEMENT OF HONORABLE JANET NORWOOD, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR: ACCOMPANIED BY: KENNETH DALTON, ASSOCIATE COMMISSIONER FOR PRICES AND LIVING CONDITIONS; AND JACK BREGGER, ASSISTANT COMMISSIONER FOR CURRENT EMPLOYMENT ANALYSIS

MRS. NORWOOD. Thank you. I have with me this morning Kenneth Dalton, our Associate Commissioner for Prices and Living Conditions; and Jack Bregger, our Assistant Commissioner for Current Employment Analysis.

We're all very pleased to be here to have the opportunity to discuss the latest data with you.

The October labor market indicators show continued weakness in the demand for workers. Payroll employment was unchanged in October. The business survey has shown very little overall growth over the past 5 months. The Nation's jobless rate, at 6.8 percent, has essentially been in a holding pattern since March.

Of all the major industry groups, only the services industry continued to show job gains in October. Employment in all other major industry groups either held steady or declined.

The number of jobs in services grew by 100,000. This industry has shown marked growth over the last 6 months.

Unfortunately, these job gains in services were offset by losses in construction, manufacturing and retail trade. The weakness was particularly apparent in the construction industry, which dropped an additional 30,000 jobs in October. This industry has lost 10 percent of its employment since May 1990.

Over the past year and a half, the unemployment rate for construction workers has increased by about 6 percentage points to 16.2 percent.

The Nation's factories lost another 30,000 jobs in October. Factory employment has shown some resurgence this past summer, but the losses in the past 2 months have erased those gains. Declines between September and October centered in durable goods manufacturing, including machinery, electronic equipment, transportation equipment, instruments and primary metals.

Retail trade employment fell by about 45,000 in October. In department and variety stores, seasonal hiring for the upcoming holiday season fell short of expectations, resulting in a substantial decline in employment after seasonal adjustment.

Combined with job cutbacks elsewhere in the industry, the decline in overall retail trade employment was the largest since April. The industry has lost 425,000 jobs since February 1990.

Moving now to the household survey, little meaningful change occurred over the month in most labor-force series. The number of employed workers was 117 million in October, and the number of unemployed persons stood at 8.6 million.

As I've pointed out to this Committee on several occasions, the labor force has grown very slowly since July 1990, when the recession began, and has hardly grown at all since spring. This development has significantly reduced the upward pressure on the unemployment rate.

At 6.8 percent in October, the jobless rate is 1.3 percentage points above its level at the onset of the recession 15 months previously, and the number of jobless persons has increased by 1.8 million.

In addition, the labor-force participation rate has declined by three-tenths of a percentage point. This was primarily because of a decline in participation among 16- to 24-year-old youths, but also because participa-

tion among adult women, which had been growing rapidly for many years, has leveled off since July 1990, when the recession began.

Unemployment in October was little changed for most worker groups. The number of workers unemployed 15 to 26 weeks rose by 185,000 over the month, but the number of those newly unemployed—for less than 5 weeks—changed very little. The number of job losers remained unchanged at about 4.7 million in October.

In summary, the October data from both of our surveys showed continued sluggishness in the labor market. Unemployment changed little, and there was no overall growth in employment. The services industry continued to show job growth, but there was general weakness in construction, manufacturing and retail trade.

Now, with your permission, Mr. Chairman, before we start to answer your questions, I'd like to make a few comments about recent press articles which indicated that several states would make large downward revisions to their payroll survey estimates to reflect the March 1990 counts of employed persons on their unemployment insurance tax files. Questions have been raised about when those declines would be reflected in the national statistics.

This is an important issue, and I want to review the facts with you.

As you know, the business survey sample is drawn from the universe of all six million business establishments contained on the UI tax files. In June of each year, the Bureau adjusts the business survey estimates to reflect the previous year's March universe employment counts produced from these tax files. The Bureau usually receives the preliminary March employment counts in October and the final ones in December.

We've just completed this year's preliminary tabulation of the national UI universe counts for the first quarter of 1991, including, of course, the March figures. While the business survey tracked the universe counts well throughout 1990, the preliminary universe counts for the first quarter of 1991 show a large discrepancy from December to January. If these preliminary counts were to hold up, they could result in a downward benchmark revision for last March of 6/10ths of 1 percent, or about 650,000 jobs.

To put this in historical perspective, revisions over the past 10 years have generally been small and always within a plus or minus 5/10ths of 1 percent range.

Thus, if the first quarter estimates were to hold up when the final counts are produced in December, this revision would be slightly larger than those over the past decade.

It is important to note that we never benchmark to the preliminary counts, but wait to start the process until the final counts become available, usually in December.

In view of the large one-month, December-to-January discrepancy, we believe it is especially important to review the preliminary estimates very carefully to ensure that they are correct.

We have already begun this review of the data, both in the aggregate and for each of the states, and will keep the Committee informed of any significant developments that occur.

I do want to make it very clear that the preliminary data refer to the first quarter of 1991 and not to the current month.

Thank you very much, Mr. Chairman. We'd be glad to answer any questions that you have.

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

Unemployment rates of all civilian workers by alternative seasonal adjustment methods

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

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THE EMPLOYMENT SITUATION: OCTOBER 1991

Both employment and unemployment were essentially unchanged in October, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The unemployment rate was 6.8 percent, little different from the 6.7 percent in September and the same as in July and August.

October job losses in the goods-producing sector and in retail trade were offset by gains in the services industry, based on data from the survey of establishments. Total employment, as estimated from the household survey, was little changed, after a large increase the previous month.

Unemployment (Household Survey Data)

The unemployment rate, 6.8 percent, and the number of unemployed persons, 8.6 million, were about the same in October as in the prior month. In fact, the unemployment situation has shown little change since March. The October unemployment rate was 1.3 percentage points higher than in July 1990, when the recession began; the number of unemployed persons was up by 1.8 million. (See table A-1.)

The unemployment rate for adult men was unchanged in October, at 6.4 percent, while the rate for adult women edged up 0.3 percentage point to 5.8 percent, after declining the previous month. The jobless rate for teenagers held fairly steady at 18.8 percent. Unemployment rates for whites (6.0 percent), blacks (12.7 percent), and persons of Hispanic origin (10.6 percent) were about the same as in September as well. About 2-1/2 million persons had been jobless 15 weeks or more, an increase of 175,000 from September. (See tables A-1, A-2, and A-5.)

Total Employment and the Labor Force (Household Survey Data)

Total employment, at 117.0 million, was little changed in October, following a large increase in the prior month. The number of employed persons was about 900,000 lower than in July 1990. The proportion of the working-age population with jobs (the employment-population ratio) was 61.5 percent; it has been near that level since May and was 1.2 percentage points below the figure for July 1990. (See table A-1.)

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

Category	Quarterly averages		Monthly data			Sept-Oct. change
	1991		1991			
	II	III	Aug.	Sept.	Oct.	
HOUSEHOLD DATA	Thousands of persons					
Civilian labor force..	125,511	125,242	124,904	125,607	125,549	-58
Employment.....	116,958	116,764	116,416	117,165	116,967	-198
Unemployment.....	8,553	8,477	8,488	8,442	8,582	140
Not in labor force....	64,012	64,736	65,069	64,515	64,740	225
Discouraged workers.	981	1,075	N.A.	N.A.	N.A.	N.A.
	Percent of labor force					
Unemployment rates:						
All workers.....	6.8	6.8	6.8	6.7	6.8	0.1
Adult men.....	6.4	6.5	6.5	6.5	6.4	-.1
Adult women.....	5.7	5.5	5.7	5.5	5.8	.3
Teenagers.....	18.8	19.2	19.0	18.0	18.8	.8
White.....	6.0	6.1	6.1	6.0	6.0	.0
Black.....	12.9	12.1	12.3	12.1	12.7	.6
Hispanic origin...	9.5	10.2	9.9	11.1	10.6	-.5
ESTABLISHMENT DATA	Thousands of jobs					
Nonfarm employment....	108,836	p108,950	108,971	p109,019	p109,018	p-1
Goods-producing 1/..	23,811	p23,805	23,826	p23,792	p23,727	p-65
Construction.....	4,704	p4,694	4,691	p4,697	p4,668	p-29
Manufacturing.....	18,400	p18,418	18,442	p18,411	p18,379	p-32
Service-producing 1/	85,025	p85,144	85,145	p85,227	p85,291	p64
Retail trade.....	19,336	p19,343	19,343	p19,339	p19,292	p-47
Services.....	28,644	p28,827	28,831	p28,918	p29,019	p101
Government.....	18,440	p18,414	18,414	p18,407	p18,413	p6
	Hours of work					
Average weekly hours:						
Total private.....	34.3	p34.3	34.3	p34.5	p34.3	p-0.2
Manufacturing.....	40.5	p40.9	41.0	p41.0	p40.9	p-.1
Overtime.....	3.5	p3.7	3.8	p3.7	p3.7	p.0

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

The number of persons in the labor force changed little in October at 125.5 million workers, seasonally adjusted. Since October of 1990, only about half a million workers have been added to the labor force. Over this period, a declining youth population and small reductions in labor force participation rates (the proportion of the working-age population either employed or actively seeking employment) among several groups have accounted for the very slow labor force growth. The participation rate was about unchanged in October at 66.0 percent. (See table A-1.)

Industry Payroll Employment (Establishment Survey Data)

Nonfarm payroll employment was unchanged in October, following 2 months of small increases. Moderate declines in manufacturing, construction, and retail trade were offset by an increase in services.

The number of manufacturing jobs fell by about 30,000 for the second consecutive month, erasing the job gains in July and August. The October declines were concentrated in durable goods industries, especially transportation equipment, machinery, electronic equipment, instruments, and primary metals. (See table B-1.)

Construction employment also fell by about 30,000 in October, continuing a downward trend which has reduced the industry payrolls by 10 percent since May 1990. Mining employment continued to slide in October and was 5 percent below the February level.

The number of jobs in retail trade fell by about 45,000, as hiring for the holiday season in general merchandise stores was less than usual and cutbacks in eating and drinking places were greater than average. Employment in wholesale trade edged down in October, for the sixteenth consecutive over-the-month decline. In contrast, there was job growth in the services industry for the sixth month in a row. The gain of 100,000 in October was divided among business, health, and other services.

Weekly Hours (Establishment Survey Data)

The average workweek for production or nonsupervisory workers on private nonfarm payrolls decreased by 0.2 hour in October, reversing a similar increase in September. The manufacturing workweek edged down by 0.1 hour but, at 40.9 hours, was still high by recent historical standards. Overtime hours in manufacturing remained at 3.7 hours, also a relatively high level. (See table B-2.)

As a result of the decline in the workweek, the index of aggregate weekly hours of private production or nonsupervisory workers fell by 0.7 percent to 121.4 (1982=100) in October, seasonally adjusted. The index for manufacturing was down 0.2 percent to 102.8, 2.6 percent below its October 1990 level. (See table B-5.)

Hourly and Weekly Earnings (Establishment Survey Data)

Average hourly earnings of private production or nonsupervisory workers were little changed in October after seasonal adjustment. Average weekly earnings decreased by 0.7 percent. Before seasonal adjustment, average hourly earnings were down 1 cent to $10.45 and average weekly earnings declined by $3.48 to $359.48. Over the year, average hourly and weekly earnings rose by 3.1 and 3.4 percent, respectively. (See table B-3.)

The Employment Situation for November 1991 will be released on Friday, December 6, at 8:30 A.M. (EST).

Explanatory Note

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

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

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

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

Coverage, definitions, and differences between surveys

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

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

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

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

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

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

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

Seasonal adjustment

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

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

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

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

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

Sampling variability

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

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

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

Additional statistics and other information

In order to provide a broad view of the nation's employment situation, BLS regularly publishes a wide variety of data in this news release. More comprehensive statistics are contained in *Employment and Earnings*, published each month by BLS. It is available for $10.00 per issue or $31.00 per year from the U.S. Government Printing Office, Washington, DC 20204. A check or money order made out to the Superintendent of Documents must accompany all orders.

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

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

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted[1]					
	Oct. 1990	Sept. 1991	Oct. 1991	Oct. 1990	June 1991	July 1991	Aug. 1991	Sept. 1991	Oct. 1991
TOTAL									
Civilian noninstitutional population	188,525	190,122	190,289	188,525	189,668	189,839	189,973	190,122	190,289
Civilian labor force	125,020	125,405	125,568	124,875	125,629	125,214	124,904	125,607	125,549
Participation rate	66.3	66.0	66.0	66.2	66.2	66.0	65.7	66.1	66.0
Employed	118,299	117,335	117,555	117,733	116,884	116,712	116,416	117,165	116,967
Employment-population ratio	62.7	61.7	61.8	62.4	61.6	61.5	61.3	61.6	61.5
Agriculture	3,280	3,425	3,310	3,175	3,308	3,239	3,266	3,308	3,195
Nonagricultural industries	115,018	113,910	114,245	114,558	113,576	113,474	113,150	113,859	113,772
Unemployed	6,722	8,070	8,013	7,142	8,745	8,501	8,488	8,442	8,582
Unemployment rate	5.4	6.4	6.4	5.7	7.0	6.8	6.8	6.7	6.8
Not in labor force	63,505	64,717	64,721	63,650	64,039	64,625	65,069	64,515	64,740
Men, 16 years and over									
Civilian noninstitutional population	89,885	90,736	90,830	89,885	90,494	90,592	90,658	90,736	90,830
Civilian labor force	68,196	68,481	68,255	68,390	68,448	68,390	68,210	68,812	68,558
Participation rate	75.9	75.5	75.1	76.1	75.6	75.5	75.2	75.8	75.5
Employed	64,596	64,089	63,921	64,408	63,405	63,389	63,328	63,836	63,702
Employment-population ratio	71.9	70.6	70.4	71.7	70.1	70.0	69.9	70.4	70.1
Unemployed	3,600	4,412	4,334	3,982	5,043	5,001	4,882	4,976	4,856
Unemployment rate	5.3	6.4	6.3	5.8	7.4	7.3	7.2	7.2	7.1
Men, 20 years and over									
Civilian noninstitutional population	83,013	84,023	84,151	83,013	83,748	83,865	83,940	84,023	84,151
Civilian labor force	64,593	65,087	64,894	64,594	64,897	64,934	64,830	65,155	65,010
Participation rate	77.8	77.5	77.1	77.8	77.5	77.4	77.2	77.5	77.3
Employed	61,606	61,338	61,200	61,245	60,625	60,683	60,613	60,890	60,817
Employment-population ratio	74.2	73.0	72.7	73.8	72.4	72.4	72.2	72.5	72.3
Agriculture	2,371	2,520	2,468	2,283	2,438	2,381	2,365	2,423	2,378
Nonagricultural industries	59,235	58,818	58,732	58,962	58,187	58,302	58,248	58,467	58,440
Unemployed	2,988	3,749	3,694	3,349	4,272	4,251	4,217	4,265	4,193
Unemployment rate	4.6	5.8	5.7	5.2	6.6	6.5	6.5	6.5	6.4
Women, 16 years and over									
Civilian noninstitutional population	98,640	99,386	99,459	98,640	99,174	99,248	99,315	99,386	99,459
Civilian labor force	56,824	56,924	57,313	56,485	57,181	56,824	56,694	56,796	56,991
Participation rate	57.6	57.3	57.8	57.3	57.7	57.3	57.1	57.1	57.3
Employed	53,702	53,266	53,635	53,325	53,479	53,323	53,088	53,330	53,264
Employment-population ratio	54.4	53.6	53.9	54.1	53.9	53.7	53.5	53.7	53.6
Unemployed	3,122	3,659	3,678	3,160	3,702	3,500	3,606	3,466	3,726
Unemployment rate	5.5	6.4	6.4	5.6	6.5	6.2	6.4	6.1	6.5
Women, 20 years and over									
Civilian noninstitutional population	91,857	92,797	92,875	91,857	92,546	92,654	92,720	92,797	92,875
Civilian labor force	53,533	53,887	54,131	53,047	53,883	53,617	53,616	53,596	53,654
Participation rate	58.3	58.0	58.3	57.7	58.2	57.9	57.8	57.8	57.8
Employed	50,915	50,742	51,044	50,423	50,723	50,738	50,575	50,656	50,556
Employment-population ratio	55.4	54.7	55.0	54.9	54.8	54.8	54.5	54.6	54.4
Agriculture	666	715	668	628	617	601	642	679	629
Nonagricultural industries	50,249	50,027	50,376	49,795	50,106	50,136	49,933	49,977	49,927
Unemployed	2,618	3,125	3,086	2,624	3,160	2,879	3,041	2,940	3,098
Unemployment rate	4.9	5.8	5.7	4.9	5.9	5.4	5.7	5.5	5.8
Both sexes, 16 to 19 years									
Civilian noninstitutional population	13,655	13,302	13,263	13,655	13,374	13,320	13,313	13,302	13,263
Civilian labor force	6,895	6,451	6,543	7,234	6,850	6,562	6,458	6,856	6,884
Participation rate	50.5	48.5	49.3	53.0	51.2	50.0	48.5	51.5	51.9
Employed	5,777	5,255	5,312	6,065	5,537	5,291	5,228	5,619	5,593
Employment-population ratio	42.3	39.5	40.0	44.4	41.4	39.7	39.3	42.2	42.2
Agriculture	243	190	175	264	254	256	259	204	188
Nonagricultural industries	5,534	5,064	5,137	5,801	5,283	5,035	4,969	5,415	5,405
Unemployed	1,117	1,196	1,232	1,169	1,313	1,271	1,230	1,237	1,291
Unemployment rate	16.2	18.5	18.8	16.2	19.2	20.6	19.0	18.0	18.8

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

HOUSEHOLD DATA

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

(Numbers in thousands)

Employment status, race, sex, age, and Hispanic origin	Not seasonally adjusted			Seasonally adjusted[1]					
	[illegible] 1990	[illegible] 1991	[illegible] 1991	[illegible] 1990	[illegible] 1991	[illegible] 1991	[illegible] 1991	[illegible] 1991	[illegible] 1991
WHITE									
Civilian noninstitutional population	160,717	161,738	161,846	160,717	161,449	161,558	161,642	161,738	161,846
Civilian labor force	107,362	107,414	107,656	107,277	107,745	107,382	107,090	107,618	107,721
Participation rate	66.8	66.4	66.5	66.7	66.7	66.5	66.3	66.5	66.6
Employed	102,452	101,276	101,661	102,017	101,046	100,760	100,610	101,112	101,211
Employment-population ratio	63.7	62.6	62.8	63.5	62.6	62.4	62.2	62.5	62.5
Unemployed	4,910	6,138	5,995	5,260	6,699	6,622	6,480	6,505	6,510
Unemployment rate	4.6	5.7	5.6	4.9	6.2	6.2	6.1	6.0	6.0
Men, 20 years and over									
Civilian labor force	56,119	56,426	56,263	56,123	56,267	56,344	56,252	56,532	56,371
Participation rate	78.3	77.9	77.6	78.3	77.9	77.9	77.7	78.0	77.7
Employed	53,900	53,444	53,360	53,615	52,962	52,960	52,934	53,072	53,042
Employment-population ratio	75.2	73.8	73.6	74.8	73.3	73.2	73.1	73.3	73.2
Unemployed	2,219	2,982	2,903	2,508	3,304	3,385	3,318	3,459	3,329
Unemployment rate	4.0	5.3	5.2	4.5	5.9	6.0	5.9	6.1	5.9
Women, 20 years and over									
Civilian labor force	45,302	45,401	45,734	44,918	45,572	45,316	45,254	45,178	45,390
Participation rate	58.0	57.7	58.1	57.6	58.0	57.7	57.6	57.4	57.7
Employed	43,441	43,121	43,555	43,032	43,213	43,137	42,998	43,035	43,167
Employment-population ratio	55.7	54.8	55.3	55.1	55.0	54.9	54.7	54.7	54.8
Unemployed	1,862	2,280	2,179	1,886	2,360	2,179	2,256	2,141	2,223
Unemployment rate	4.1	5.0	4.8	4.2	5.2	4.8	5.0	4.7	4.9
Both sexes, 16 to 19 years									
Civilian labor force	5,941	5,587	5,660	6,236	5,906	5,722	5,584	5,910	5,960
Participation rate	54.2	52.6	53.3	56.9	55.3	53.7	52.5	55.6	56.2
Employed	5,111	4,711	4,747	5,370	4,871	4,683	4,678	5,005	5,003
Employment-population ratio	46.6	44.3	44.7	49.0	45.6	43.7	43.9	47.1	47.1
Unemployed	829	877	912	866	1,035	1,059	906	905	957
Unemployment rate	14.0	15.7	16.1	13.9	17.5	18.5	16.2	15.3	16.1
Men	15.0	16.5	16.8	14.7	19.9	20.0	16.9	16.4	16.3
Women	12.8	14.8	15.6	13.0	14.9	16.8	15.5	14.1	15.8
BLACK									
Civilian noninstitutional population	21,383	21,683	21,714	21,383	21,595	21,631	21,655	21,683	21,714
Civilian labor force	13,497	13,665	13,560	13,493	13,613	13,516	13,454	13,737	13,554
Participation rate	63.1	63.1	62.5	63.1	63.0	62.5	62.1	63.4	62.4
Employed	11,957	12,055	11,868	11,913	11,837	11,922	11,798	12,080	11,830
Employment-population ratio	55.9	55.6	54.7	55.7	54.8	55.1	54.5	55.7	54.5
Unemployed	1,539	1,630	1,692	1,580	1,777	1,595	1,658	1,657	1,724
Unemployment rate	11.4	11.9	12.5	11.7	13.1	11.8	12.3	12.1	12.7
Men, 20 years and over									
Civilian labor force	6,339	6,417	6,377	6,339	6,399	6,379	6,301	6,409	6,374
Participation rate	74.1	73.6	73.0	74.1	73.9	73.5	72.4	73.5	73.0
Employed	5,670	5,773	5,720	5,635	5,584	5,638	5,577	5,716	5,686
Employment-population ratio	66.3	66.2	65.5	65.9	64.5	64.9	64.1	65.6	65.1
Unemployed	668	644	658	704	815	741	724	693	688
Unemployment rate	10.5	10.0	10.3	11.1	12.7	11.6	11.5	10.8	10.8
Women, 20 years and over									
Civilian labor force	6,389	6,574	6,499	6,345	6,483	6,418	6,485	6,576	6,454
Participation rate	59.7	60.4	59.6	59.3	59.8	59.2	59.7	60.4	59.2
Employed	5,762	5,855	5,732	5,728	5,768	5,813	5,816	5,898	5,709
Employment-population ratio	53.8	53.8	52.6	53.5	53.2	53.6	53.5	54.2	52.3
Unemployed	628	719	768	617	715	605	669	680	751
Unemployment rate	9.8	10.9	11.8	9.7	11.0	9.4	10.3	10.3	11.6
Both sexes, 16 to 19 years									
Civilian labor force	768	694	684	809	732	719	668	752	726
Participation rate	36.1	33.2	32.8	38.0	34.8	34.3	31.9	36.0	34.8
Employed	526	427	417	550	485	470	403	468	441
Employment-population ratio	24.7	20.4	20.0	25.8	23.0	22.4	19.3	22.4	21.1
Unemployed	243	267	267	259	247	249	265	284	285
Unemployment rate	31.6	38.5	39.0	32.0	33.7	34.6	39.7	37.8	39.3
Men	31.0	40.6	35.0	31.3	37.4	31.8	37.5	40.8	35.4
Women	32.2	35.7	43.4	32.7	28.9	37.4	42.3	33.6	43.5

See footnotes at end of table.

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

(Numbers in thousands)

Employment status, race, sex, age, and Hispanic origin	Not seasonally adjusted			Seasonally adjusted[1]					
	Oct. 1990	Sept. 1991	Oct. 1991	Oct. 1990	June 1991	July 1991	Aug. 1991	Sept. 1991	Oct. 1991
HISPANIC ORIGIN									
Civilian noninstitutional population	14,435	14,869	14,908	14,435	14,751	14,790	14,829	14,869	14,908
Civilian labor force	9,553	9,846	9,874	9,580	9,737	9,834	9,747	9,863	9,924
Participation rate	66.2	66.2	66.2	66.4	66.0	66.5	65.7	66.3	66.6
Employed	8,818	8,808	8,898	8,793	8,781	8,903	8,778	8,764	8,871
Employment-population ratio	61.1	59.2	59.7	60.9	59.5	60.2	59.2	58.9	59.5
Unemployed	735	1,038	976	787	956	931	969	1,098	1,053
Unemployment rate	7.7	10.5	9.9	8.2	9.8	9.5	9.9	11.1	10.6

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

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

Table A-3. Selected employment indicators

(In thousands)

Category	Not seasonally adjusted			Seasonally adjusted					
	Oct. 1990	Sept. 1991	Oct. 1991	Oct. 1990	June 1991	July 1991	Aug. 1991	Sept. 1991	Oct. 1991
CHARACTERISTIC									
Civilian employed, 16 years and over	118,299	117,335	117,555	117,733	116,884	116,712	116,418	117,165	116,967
Married men, spouse present	41,156	40,753	40,898	40,833	40,337	40,503	40,462	40,510	40,531
Married women, spouse present	30,159	29,833	30,240	29,789	29,877	29,993	29,915	29,843	29,852
Women who maintain families	6,399	6,554	6,488	6,354	6,520	6,489	6,467	6,574	6,443
OCCUPATION									
Managerial and professional specialty	30,879	30,985	31,268	30,714	30,842	30,926	30,850	31,002	31,110
Technical, sales, and administrative support	36,518	35,879	36,168	36,447	36,283	35,991	35,876	36,096	36,132
Service occupations	15,758	15,946	15,954	15,880	16,142	16,138	15,939	16,075	16,034
Precision production, craft, and repair	13,625	13,084	13,244	13,547	13,207	13,057	13,102	13,045	13,152
Operators, fabricators, and laborers	18,084	17,793	17,448	17,858	16,974	17,184	17,121	17,509	17,161
Farming, forestry, and fishing	3,434	3,668	3,475	3,376	3,502	3,540	3,486	3,451	3,430
INDUSTRY AND CLASS OF WORKER									
Agriculture:									
Wage and salary workers	1,790	1,807	1,717	1,714	1,748	1,678	1,704	1,748	1,629
Self-employed workers	1,396	1,510	1,479	1,350	1,431	1,497	1,480	1,431	1,436
Unpaid family workers	94	109	115	99	115	120	102	118	126
Nonagricultural industries:									
Wage and salary workers	105,734	104,727	104,849	105,384	104,345	104,422	104,122	104,744	104,442
Government	17,944	17,847	18,401	17,894	17,898	17,969	17,908	17,955	18,165
Private industries	87,790	86,880	86,448	87,690	86,447	86,453	86,214	86,789	86,277
Private households	1,030	982	1,020	1,017	1,005	1,113	1,058	1,013	998
Other industries	86,760	85,898	85,428	86,673	85,441	85,340	85,156	85,775	85,279
Self-employed workers	9,049	8,980	9,169	8,859	8,968	8,860	8,817	8,980	8,980
Unpaid family workers	236	203	227	250	260	229	212	195	243
PERSONS AT WORK PART TIME[1]									
All industries:									
Part time for economic reasons	5,052	5,941	5,891	5,409	5,705	5,881	5,892	6,374	6,328
Slack work	2,522	3,048	3,218	2,663	3,146	3,091	3,073	3,417	3,438
Could only find part-time work	2,172	2,545	2,418	2,344	2,325	2,505	2,621	2,728	2,612
Voluntary part time	16,042	15,317	15,905	15,129	15,598	15,208	15,040	15,048	14,976
Nonagricultural industries:									
Part time for economic reasons	4,788	5,615	5,639	5,135	5,425	5,605	5,643	6,130	6,116
Slack work	2,324	2,829	3,022	2,467	2,964	2,915	2,886	3,207	3,253
Could only find part-time work	2,114	2,445	2,363	2,281	2,229	2,435	2,533	2,638	2,563
Voluntary part time	15,628	14,827	15,396	14,715	15,168	14,737	14,591	14,579	14,484

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

Table A-4. Selected unemployment indicators, seasonally adjusted

Category	Number of unemployed persons (in thousands)			Unemployment rates[1]					
	Oct. 1990	Sept. 1991	Oct. 1991	Oct. 1990	June 1991	July 1991	Aug. 1991	Sept. 1991	Oct. 1991
CHARACTERISTIC									
Total, 16 years and over	7,142	8,442	8,582	5.7	7.0	6.8	6.8	6.7	6.8
Men, 20 years and over	3,349	4,265	4,193	5.2	6.8	6.5	6.5	6.5	6.4
Women, 20 years and over	2,624	2,940	3,098	4.9	5.9	5.4	5.7	5.5	5.8
Both sexes, 16 to 19 years	1,169	1,237	1,291	16.2	19.2	20.6	19.0	18.0	18.8
Married men, spouse present	1,493	1,889	1,789	3.5	4.7	4.3	4.3	4.5	4.2
Married women, spouse present	1,222	1,418	1,375	3.9	4.7	4.3	4.4	4.5	4.4
Women who maintain families	592	639	680	8.5	9.2	8.3	9.6	8.9	9.5
Full-time workers	5,860	6,892	7,095	5.5	6.8	6.5	6.5	6.4	6.6
Part-time workers	1,265	1,492	1,473	7.1	8.6	8.3	8.2	8.3	8.2
Labor force time lost[2]	—	—	—	6.6	7.6	7.5	7.6	7.7	7.7
OCCUPATION[3]									
Managerial and professional specialty	706	891	926	2.2	2.8	2.9	2.9	2.8	2.9
Technical, sales, and administrative support	1,661	1,921	1,947	4.4	5.2	4.9	5.1	5.1	5.1
Precision production, craft, and repair	941	1,138	1,153	6.5	7.8	8.5	8.3	8.0	8.1
Operators, fabricators, and laborers	1,745	1,880	1,884	8.9	11.5	10.6	10.1	9.7	9.9
Farming, forestry, and fishing	198	304	286	5.5	7.6	6.7	8.1	8.1	7.7
INDUSTRY									
Nonagricultural private wage and salary workers	5,508	6,461	6,494	5.9	7.4	7.1	7.0	6.9	7.0
Goods-producing industries	2,114	2,459	2,518	7.3	9.7	9.1	8.9	8.7	9.0
Mining	30	85	57	4.1	8.5	8.7	7.5	11.1	7.5
Construction	616	956	970	13.0	15.6	16.7	15.1	15.7	16.2
Manufacturing	1,268	1,419	1,491	5.8	8.2	7.0	7.2	6.8	7.0
Durable goods	760	838	930	5.9	8.4	7.1	7.4	6.7	7.5
Nondurable goods	508	581	561	5.7	7.9	6.9	6.9	6.8	6.3
Service-producing industries	3,392	4,001	3,975	5.3	6.3	6.2	6.2	6.2	6.1
Transportation and public utilities	270	313	325	4.1	5.4	5.1	5.1	4.7	4.9
Wholesale and retail trade	1,527	1,851	1,852	6.7	7.6	8.1	7.6	7.8	7.8
Finance and service industries	1,525	1,837	1,798	4.5	5.7	5.1	5.5	5.3	5.3
Government workers	506	638	674	2.8	2.8	2.8	3.3	3.4	3.6
Agricultural wage and salary workers	159	214	221	8.5	12.2	11.5	11.9	10.9	12.0

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

Table A-5. Duration of unemployment

(Numbers in thousands)

Weeks of unemployment	Not seasonally adjusted			Seasonally adjusted					
	Oct. 1990	Sept. 1991	Oct. 1991	Oct. 1990	June 1991	July 1991	Aug. 1991	Sept. 1991	Oct. 1991
DURATION									
Less than 5 weeks	3,073	3,452	3,175	3,139	3,427	3,368	3,385	3,322	3,266
5 to 14 weeks	2,229	2,433	2,575	2,391	2,862	2,722	2,602	2,832	2,784
15 weeks and over	1,420	2,185	2,283	1,591	2,573	2,348	2,398	2,362	2,537
15 to 26 weeks	767	1,087	1,208	893	1,411	1,215	1,221	1,224	1,410
27 weeks and over	653	1,098	1,055	698	1,162	1,132	1,175	1,138	1,127
Average (mean) duration, in weeks	11.8	13.9	14.1	12.0	14.2	13.9	14.0	14.0	14.3
Median duration, in weeks	5.4	6.3	6.8	5.9	6.9	6.6	7.2	7.5	7.4
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	45.7	42.8	39.6	44.1	38.7	39.9	40.4	39.0	38.0
5 to 14 weeks	33.2	30.2	32.1	33.6	32.3	32.3	31.0	33.3	32.4
15 weeks and over	21.1	27.1	28.2	22.3	29.0	27.8	28.6	27.7	29.5
15 to 26 weeks	11.4	13.5	15.1	12.5	15.9	14.4	14.6	14.4	16.4
27 weeks and over	9.7	13.6	13.2	9.8	13.1	13.4	14.0	13.4	13.1

Table A-6. Reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted			Seasonally adjusted					
	Oct. 1990	Sept. 1991	Oct. 1991	Oct. 1990	June 1991	July 1991	Aug. 1991	Sept. 1991	Oct. 1991
NUMBER OF UNEMPLOYED									
Job losers	3,109	4,196	4,070	3,563	4,869	4,596	4,665	4,801	4,722
On layoff	808	831	904	1,056	1,389	1,188	1,281	1,129	1,194
Other job losers	2,301	3,365	3,167	2,507	3,481	3,408	3,384	3,672	3,527
Job leavers	1,030	1,026	1,036	981	1,090	990	883	929	989
Reentrants	1,957	2,142	2,139	1,911	2,143	2,047	2,112	2,017	2,091
New entrants	825	706	787	884	741	821	782	782	828
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	48.3	52.0	50.8	49.9	55.1	54.4	55.4	56.9	54.7
On layoff	12.0	10.3	11.3	14.8	15.7	14.1	15.2	13.2	13.8
Other job losers	34.2	41.7	39.5	35.1	39.4	40.3	40.2	43.1	40.9
Job leavers	15.3	12.7	12.9	13.7	12.3	11.7	10.5	10.9	11.5
Reentrants	29.1	26.5	26.7	26.8	24.2	24.2	25.1	23.6	24.2
New entrants	9.3	8.7	9.8	9.8	8.4	9.7	9.0	9.2	9.6
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE									
Job losers	2.5	3.3	3.2	2.9	3.9	3.7	3.7	3.8	3.8
Job leavers	.8	.8	.8	.8	.9	.8	.7	.7	.8
Reentrants	1.6	1.7	1.7	1.5	1.7	1.6	1.7	1.6	1.7
New entrants	.5	.6	.6	.5	.6	.7	.6	.6	.7

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

(Percent)

Measure	Quarterly averages					Monthly data		
	1990		1991			1991		
	III	IV	I	II	III	Aug.	Sept.	Oct.
U-1 Persons unemployed 15 weeks or longer as a percent of the civilian labor force	1.3	1.3	1.8	1.9	1.9	1.9	1.9	2.0
U-2 Job losers as a percent of the civilian labor force	2.7	3.0	3.5	3.7	3.7	3.7	3.8	3.8
U-3 Unemployed persons 25 years and over as a percent of the civilian labor force for persons 25 years and over	4.4	4.7	5.3	5.5	5.4	5.5	5.4	5.4
U-4 Unemployed full-time jobseekers as a percent of the full-time civilian labor force	5.2	5.7	6.3	6.5	6.5	6.5	6.4	6.6
U-5a Total unemployed as a percent of the labor force, including the resident Armed Forces	5.5	5.8	6.4	6.7	6.7	6.7	6.8	6.7
U-5b Total unemployed as a percent of the civilian labor force	5.6	5.9	6.5	6.8	6.8	6.8	6.7	6.8
U-6 Total full-time jobseekers plus 1/2 part-time jobseekers plus 1/2 total on part time for economic reasons as a percent of the civilian labor force less 1/2 of the part-time labor force	7.6	8.1	9.0	9.2	9.2	9.2	9.3	9.4
U-7 Total full-time jobseekers plus 1/2 part-time jobseekers plus 1/2 total on part time for economic reasons plus discouraged workers as a percent of the civilian labor force plus discouraged workers less 1/2 of the part-time labor force	8.3	8.9	9.8	10.0	10.1	N.A.	N.A.	N.A.

N.A. = not available.

HOUSEHOLD DATA

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

Sex and age	Number of unemployed persons (in thousands)			Unemployment rates[1]					
	Oct. 1990	Sept. 1991	Oct. 1991	Oct. 1990	June 1991	July 1991	Aug. 1991	Sept. 1991	Oct. 1991
Total, 16 years and over	7,142	8,442	8,582	5.7	7.0	6.8	6.8	6.7	6.8
16 to 24 years	2,463	2,725	2,844	11.7	13.8	14.3	13.4	13.2	13.8
16 to 19 years	1,169	1,237	1,291	16.2	19.2	20.6	19.0	18.0	18.8
16 to 17 years	508	549	594	18.7	20.2	24.0	22.0	20.5	21.8
18 to 19 years	657	711	699	14.6	18.6	18.0	16.8	17.0	16.9
20 to 24 years	1,294	1,488	1,553	9.4	11.1	11.2	10.7	10.8	11.3
25 years and over	4,630	5,720	5,680	4.5	5.6	5.3	5.5	5.4	5.4
25 to 54 years	4,105	5,135	5,144	4.6	5.8	5.6	5.7	5.7	5.7
55 years and over	536	589	548	3.5	4.5	4.0	4.2	3.8	3.6
Men, 16 years and over	3,982	4,978	4,856	5.8	7.4	7.3	7.2	7.2	7.1
16 to 24 years	1,325	1,607	1,539	12.0	15.1	15.4	14.2	14.6	14.2
16 to 19 years	633	711	663	16.7	21.7	21.7	19.7	19.4	18.7
16 to 17 years	263	300	300	18.4	20.5	24.1	22.9	21.5	21.5
18 to 19 years	368	418	361	15.6	22.3	19.2	17.6	18.6	16.8
20 to 24 years	692	896	876	9.6	11.9	12.5	11.6	12.2	12.0
25 years and over	2,630	3,345	3,288	4.6	5.9	5.7	5.8	5.8	5.7
25 to 54 years	2,298	2,979	2,951	4.7	5.9	6.0	5.9	6.1	6.0
55 years and over	344	366	340	3.9	4.7	4.7	5.0	4.2	4.0
Women, 16 years and over	3,160	3,466	3,726	5.6	6.5	6.2	6.4	6.1	6.5
16 to 24 years	1,138	1,118	1,305	11.4	12.4	13.0	12.5	11.7	13.3
16 to 19 years	536	526	628	15.6	16.4	19.4	18.4	16.4	18.8
16 to 17 years	245	249	294	18.9	19.9	23.9	20.9	19.5	21.6
18 to 19 years	289	293	338	13.4	14.6	16.7	16.0	15.2	17.0
20 to 24 years	602	592	677	9.2	10.3	9.8	9.6	9.3	10.5
25 years and over	2,000	2,375	2,392	4.3	5.3	4.8	5.1	5.0	5.1
25 to 54 years	1,806	2,155	2,193	4.5	5.5	5.0	5.4	5.3	5.4
55 years and over	192	223	208	2.9	4.2	3.1	3.3	3.3	3.2

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

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

(Numbers in thousands)

Veteran status and age	Civilian noninstitutional population		Civilian labor force							
			Total		Employed		Unemployed			
							Number		Percent of labor force	
	Oct. 1990	Oct. 1991	Oct. 1990	Oct. 1991	Oct. 1990	Oct. 1991	Oct. 1990	Oct. 1991	Oct. 1990	Oct. 1991
VIETNAM-ERA VETERANS										
Total, 35 years and over	7,680	7,810	6,980	7,076	6,718	6,745	262	331	3.8	4.7
35 to 49 years	6,501	6,424	6,156	6,060	5,924	5,761	232	298	3.8	4.9
35 to 39 years	1,339	1,090	1,253	1,019	1,172	956	81	62	6.5	6.1
40 to 44 years	3,245	2,993	3,085	2,838	3,001	2,673	84	163	2.7	5.8
45 to 49 years	1,917	2,341	1,818	2,205	1,752	2,132	66	73	3.7	3.3
50 years and over	1,179	1,386	824	1,016	794	984	30	32	3.7	3.2
NONVETERANS										
Total, 35 to 49 years	17,725	18,702	16,852	17,440	16,052	16,643	600	797	3.6	4.6
35 to 39 years	8,133	8,545	7,764	8,031	7,460	7,842	303	388	3.9	4.8
40 to 44 years	5,400	5,897	5,018	5,505	4,836	5,271	182	234	3.6	4.3
45 to 49 years	4,192	4,261	3,870	3,904	3,755	3,730	115	174	3.0	4.5

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

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

(Numbers in thousands)

State and employment status	Not seasonally adjusted[1]			Seasonally adjusted[2]					
	Oct. 1990	Sept. 1991	Oct. 1991	Oct. 1990	June 1991	July 1991	Aug. 1991	Sept. 1991	Oct. 1991
California									
Civilian noninstitutional population	22,078	22,528	22,571	22,078	22,403	22,447	22,486	22,528	22,571
Civilian labor force	14,659	14,969	15,001	14,633	14,753	14,725	14,885	15,006	14,986
Employed	13,828	13,846	13,907	13,739	13,545	13,609	13,796	13,853	13,820
Unemployed	832	1,123	1,094	894	1,208	1,116	1,089	1,153	1,166
Unemployment rate	5.7	7.5	7.3	6.1	8.2	7.6	7.3	7.7	7.8
Florida									
Civilian noninstitutional population	10,188	10,404	10,424	10,188	10,344	10,365	10,384	10,404	10,424
Civilian labor force	6,475	6,473	6,498	6,443	6,396	6,413	6,480	6,474	6,455
Employed	6,076	5,954	6,031	6,047	5,918	5,913	5,956	5,958	5,988
Unemployed	399	519	467	396	478	500	524	516	467
Unemployment rate	6.2	8.0	7.2	6.1	7.5	7.8	8.1	8.0	7.2
Illinois									
Civilian noninstitutional population	8,885	8,926	8,931	8,885	8,914	8,919	8,922	8,926	8,931
Civilian labor force	6,044	6,010	5,961	6,040	6,061	6,042	6,035	5,995	5,955
Employed	5,699	5,612	5,514	5,677	5,620	5,636	5,598	5,569	5,494
Unemployed	346	398	447	363	441	406	437	426	461
Unemployment rate	5.7	6.6	7.5	6.0	7.3	6.7	7.2	7.1	7.7
Massachusetts									
Civilian noninstitutional population	4,620	4,624	4,625	4,620	4,623	4,624	4,624	4,624	4,625
Civilian labor force	3,116	3,125	3,132	3,140	3,105	3,099	3,047	3,141	3,155
Employed	2,930	2,846	2,874	2,937	2,810	2,818	2,768	2,853	2,875
Unemployed	186	279	258	203	295	281	279	288	280
Unemployment rate	6.0	8.9	8.2	6.5	9.5	9.1	9.2	9.2	8.9
Michigan									
Civilian noninstitutional population	7,004	7,020	7,023	7,004	7,015	7,018	7,019	7,020	7,023
Civilian labor force	4,563	4,510	4,536	4,538	4,552	4,446	4,428	4,502	4,510
Employed	4,236	4,093	4,149	4,203	4,138	4,075	4,026	4,065	4,112
Unemployed	327	417	386	335	414	371	402	437	398
Unemployment rate	7.2	9.2	8.5	7.4	9.1	8.3	9.1	9.7	8.8
New Jersey									
Civilian noninstitutional population	6,026	6,025	6,026	6,026	6,025	6,026	6,025	6,025	6,026
Civilian labor force	4,068	4,018	4,024	4,103	4,058	4,054	4,033	4,047	4,052
Employed	3,848	3,777	3,752	3,881	3,789	3,800	3,764	3,795	3,778
Unemployed	220	241	272	222	269	254	269	252	274
Unemployment rate	5.4	6.0	6.8	5.4	6.6	6.3	6.7	6.2	6.8
New York									
Civilian noninstitutional population	13,799	13,802	13,803	13,799	13,800	13,802	13,801	13,802	13,803
Civilian labor force	8,523	8,557	8,541	8,628	8,642	8,511	8,536	8,601	8,561
Employed	8,161	7,975	7,949	8,154	7,978	7,909	7,894	8,016	7,943
Unemployed	462	582	591	474	664	602	642	585	618
Unemployment rate	5.4	6.8	6.9	5.5	7.7	7.1	7.5	6.8	7.2

See footnotes at end of table.

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

(Numbers in thousands)

State and employment status	Not seasonally adjusted[1]			Seasonally adjusted[2]					
	Oct. 1990	Sept. 1991	Oct. 1991	Oct. 1990	June 1991	July 1991	Aug. 1991	Sept. 1991	Oct. 1991
North Carolina									
Civilian noninstitutional population	5,016	5,075	5,080	5,016	5,058	5,064	5,069	5,075	5,080
Civilian labor force	3,380	3,530	3,490	3,381	3,443	3,426	3,478	3,545	3,491
Employed	3,232	3,342	3,311	3,226	3,230	3,214	3,272	3,336	3,305
Unemployed	148	187	179	155	213	212	204	209	186
Unemployment rate	4.4	5.3	5.1	4.6	6.2	6.2	5.9	5.9	5.3
Ohio									
Civilian noninstitutional population	8,291	8,316	8,320	8,291	8,309	8,312	8,314	8,316	8,320
Civilian labor force	5,493	5,435	5,435	5,463	5,447	5,497	5,373	5,443	5,396
Employed	5,187	5,126	5,153	5,148	5,100	5,119	5,008	5,095	5,101
Unemployed	306	309	282	315	347	378	365	348	295
Unemployment rate	5.6	5.7	5.2	5.8	6.4	6.9	6.8	6.4	5.5
Pennsylvania									
Civilian noninstitutional population	9,395	9,419	9,422	9,395	9,411	9,415	9,418	9,419	9,422
Civilian labor force	5,897	5,915	5,993	5,905	5,940	5,952	5,908	5,921	5,994
Employed	5,550	5,542	5,611	5,558	5,543	5,534	5,475	5,520	5,606
Unemployed	346	373	383	347	397	418	433	401	388
Unemployment rate	5.9	6.3	6.4	5.9	6.7	7.0	7.3	6.8	6.5
Texas									
Civilian noninstitutional population	12,416	12,565	12,580	12,416	12,523	12,538	12,551	12,565	12,580
Civilian labor force	8,406	8,525	8,534	8,416	8,543	8,619	8,467	8,515	8,553
Employed	7,961	7,978	7,918	7,916	8,061	8,038	7,920	7,956	7,881
Unemployed	445	547	616	500	482	581	547	559	672
Unemployment rate	5.3	6.4	7.2	5.9	5.6	6.7	6.5	6.6	7.9

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

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

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-1. Employees on nonfarm payrolls by industry

(In thousands)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Oct. 1990	Aug. 1991	Sept. 1991p/	Oct. 1991p/	Oct. 1990	June 1991	July 1991	Aug. 1991	Sept. 1991p/	Oct. 1991p/
Total	110,721	108,687	109,372	109,740	109,982	108,885	108,859	108,971	109,019	109,018
Total private	92,128	91,416	91,225	91,083	91,638	90,429	90,439	90,557	90,612	90,605
Goods-producing industries	25,062	24,255	24,198	24,070	24,705	23,792	23,798	23,826	23,792	23,727
Mining	718	704	693	688	710	704	701	693	684	680
Oil and gas extraction	399.1	394.6	386.4	384.9	397	398	394	390	384	383
Construction	5,252	5,001	4,946	4,883	5,022	4,710	4,695	4,691	4,697	4,668
General building contractors	1,316.4	1,234.2	1,209.3	1,191.9	1,272	1,172	1,170	1,165	1,162	1,155
Manufacturing	19,092	18,550	18,559	18,499	18,973	18,378	18,402	18,442	18,411	18,379
Production workers	12,984	12,579	12,606	12,571	12,864	12,410	12,448	12,488	12,456	12,451
Durable goods	11,050	10,563	10,580	10,546	11,000	10,534	10,546	10,555	10,531	10,496
Production workers	7,340	6,983	7,011	6,993	7,287	6,943	6,971	6,983	6,958	6,942
Lumber and wood products	737.2	717.5	713.3	704.7	730	696	699	700	697	698
Furniture and fixtures	509.5	481.1	483.6	484.9	505	483	478	483	481	481
Stone, clay, and glass products	536.6	532.3	531.2	529.6	549	518	520	523	522	522
Primary metal industries	753.7	722.5	720.9	715.6	753	718	721	722	719	715
Blast furnaces and basic steel products	274.2	261.4	260.3	257.1	274	260	260	260	260	258
Fabricated metal products	1,424.1	1,358.3	1,366.2	1,364.0	1,415	1,358	1,359	1,361	1,358	1,355
Industrial machinery and equipment	2,069.8	1,972.2	1,972.1	1,967.2	2,074	1,990	1,984	1,980	1,980	1,971
Electronic and other electrical equipment	1,655.0	1,586.9	1,583.3	1,581.6	1,647	1,594	1,589	1,585	1,580	1,574
Transportation equipment	1,966.9	1,856.5	1,872.8	1,860.0	1,957	1,845	1,861	1,868	1,862	1,849
Motor vehicles and equipment	815.1	790.2	807.4	798.1	805	770	791	797	795	788
Instruments and related products	994.1	967.6	965.9	961.8	995	969	968	966	967	963
Miscellaneous manufacturing	383.5	367.7	371.0	376.1	375	363	367	365	365	368
Nondurable goods	8,042	7,987	7,979	7,953	7,973	7,844	7,856	7,889	7,880	7,883
Production workers	5,644	5,596	5,595	5,578	5,577	5,467	5,477	5,505	5,498	5,509
Food and kindred products	1,719.6	1,765.7	1,758.8	1,722.4	1,672	1,677	1,660	1,685	1,675	1,674
Tobacco products	51.6	50.0	50.8	50.2	49	48	49	50	48	48
Textile mill products	681.4	673.5	675.0	675.0	678	665	671	670	670	672
Apparel and other textile products	1,041.9	1,031.6	1,039.8	1,045.6	1,032	1,017	1,032	1,031	1,034	1,036
Paper and allied products	699.8	697.2	693.0	690.7	699	687	689	692	692	690
Printing and publishing	1,570.2	1,526.5	1,523.6	1,524.8	1,573	1,531	1,532	1,531	1,530	1,526
Chemicals and allied products	1,092.7	1,095.9	1,088.6	1,092.0	1,095	1,086	1,084	1,088	1,088	1,094
Petroleum and coal products	160.1	163.3	161.2	160.9	158	159	159	160	159	159
Rubber and misc. plastics products	894.3	860.9	866.0	869.8	889	854	857	861	863	864
Leather and leather products	130.0	122.5	122.5	121.6	128	120	123	121	121	120
Service-producing industries	85,659	84,432	85,174	85,670	85,277	85,093	85,061	85,145	85,227	85,291
Transportation and public utilities	5,907	5,822	5,873	5,881	5,855	5,809	5,809	5,820	5,825	5,831
Transportation	3,634	3,546	3,612	3,622	3,582	3,546	3,550	3,564	3,566	3,572
Communications and public utilities	2,273	2,276	2,261	2,259	2,273	2,263	2,259	2,256	2,259	2,259
Wholesale trade	6,209	6,085	6,065	6,059	6,198	6,068	6,064	6,050	6,047	6,041
Durable goods	3,613	3,517	3,493	3,485	3,613	3,517	3,509	3,500	3,493	3,485
Nondurable goods	2,596	2,568	2,572	2,574	2,577	2,551	2,555	2,550	2,554	2,556
Retail trade	19,669	19,478	19,378	19,292	19,663	19,345	19,347	19,343	19,339	19,292
General merchandise stores	2,508.5	2,386.6	2,304.9	2,339.4	2,491	2,358	2,347	2,349	2,340	2,323
Food stores	3,246.2	3,230.3	3,218.4	3,233.6	3,238	3,229	3,232	3,227	3,228	3,224
Automotive dealers and service stations	2,083.6	2,064.3	2,054.0	2,048.1	2,075	2,034	2,038	2,038	2,036	2,040
Eating and drinking places	6,564.3	6,753.3	6,700.6	6,538.6	6,586	6,571	6,578	6,563	6,569	6,558
Finance, insurance, and real estate	6,727	6,772	6,706	6,675	6,746	6,703	6,688	6,687	6,691	6,695
Finance	3,293	3,302	3,281	3,273	3,305	3,281	3,275	3,276	3,284	3,286
Insurance	2,121	2,131	2,117	2,117	2,127	2,130	2,122	2,123	2,121	2,123
Real estate	1,313	1,339	1,308	1,285	1,314	1,292	1,291	1,288	1,286	1,286
Services	28,554	29,004	29,005	29,106	28,479	28,712	28,733	28,831	28,918	29,019
Business services	5,363.4	5,379.3	5,414.4	5,425.8	5,295	5,280	5,280	5,321	5,334	5,354
Health services	7,957.8	8,314.0	8,319.7	8,353.5	7,965	8,206	8,249	8,289	8,320	8,362
Government	18,593	17,271	18,147	18,657	18,344	18,456	18,420	18,414	18,407	18,413
Federal	2,965	2,991	2,973	2,969	2,980	2,971	2,963	2,967	2,979	2,984
State	4,444	4,103	4,268	4,426	4,339	4,359	4,338	4,337	4,333	4,322
Local	11,184	10,177	10,906	11,262	11,025	11,126	11,119	11,110	11,095	11,107

p/ = preliminary.

ESTABLISHMENT DATA

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

Industry	Not seasonally adjusted				Seasonally adjusted					
	Oct. 1990	Aug. 1991	Sept. 1991p/	Oct. 1991p/	Oct. 1990	June 1991	July 1991	Aug. 1991	Sept. 1991p/	Oct. 1991p/
Total private	34.3	34.7	34.7	34.4	34.2	34.6	34.1	34.3	34.5	34.3
Mining	44.6	44.5	44.8	44.6	44.0	45.0	43.9	44.5	44.1	44.1
Construction	38.0	38.7	39.0	39.2	(2)	(2)	(2)	(2)	(2)	(2)
Manufacturing	40.9	40.9	41.4	41.1	40.7	40.8	40.7	41.0	41.0	40.9
Overtime hours	3.8	3.9	4.2	4.0	3.6	3.7	3.7	3.8	3.7	3.7
Durable goods	41.4	41.2	41.8	41.6	41.3	41.3	41.2	41.4	41.5	41.6
Overtime hours	3.8	3.8	4.1	3.9	3.6	3.7	3.7	3.8	3.7	3.7
Lumber and wood products	40.2	40.6	40.8	40.3	39.8	40.6	40.0	40.2	40.4	39.9
Furniture and fixtures	39.2	39.5	40.0	39.5	38.6	39.3	39.2	39.1	39.2	39.1
Stone, clay, and glass products	41.9	42.2	42.6	42.4	41.2	42.0	41.9	41.6	42.0	41.8
Primary metal industries	42.8	42.6	43.1	42.9	42.9	42.3	42.6	43.0	42.8	42.9
Blast furnaces and basic steel products	43.5	43.5	44.0	43.9	43.7	42.6	43.1	43.9	43.7	44.1
Fabricated metal products	41.4	41.4	42.0	41.9	41.2	41.2	41.3	41.6	41.7	41.7
Industrial machinery and equipment	42.0	41.5	42.3	41.9	42.1	41.8	41.6	42.0	42.1	41.9
Electronic and other electrical equipment	40.9	40.5	41.1	40.7	40.7	40.7	40.7	40.8	40.8	40.5
Transportation equipment	42.5	41.8	42.8	42.9	42.5	42.1	42.5	42.4	42.5	42.6
Motor vehicles and equipment	43.3	42.5	44.0	44.1	42.6	42.9	43.6	43.5	43.0	43.4
Instruments and related products	41.0	40.7	41.3	41.1	41.0	41.0	40.6	41.0	41.3	41.1
Miscellaneous manufacturing	40.2	40.1	40.3	40.4	39.8	39.7	39.6	40.1	40.2	39.9
Nondurable goods	40.2	40.5	40.8	40.5	40.0	40.1	40.1	40.4	40.4	40.3
Overtime hours	3.8	4.0	4.3	4.0	3.6	3.7	3.7	3.8	3.8	3.8
Food and kindred products	41.0	41.1	41.4	40.9	40.6	40.4	40.4	40.5	40.6	40.6
Tobacco products	40.8	39.4	40.1	40.1	(2)	(2)	(2)	(2)	(2)	(2)
Textile mill products	40.1	41.8	41.8	41.4	39.8	40.8	41.0	41.4	41.3	41.1
Apparel and other textile products	36.6	37.4	37.6	37.7	36.4	36.9	37.0	37.3	37.4	37.5
Paper and allied products	43.6	43.3	43.8	43.5	43.5	43.2	43.5	43.5	43.4	43.5
Printing and publishing	38.0	38.0	38.2	37.9	37.9	37.8	37.6	37.8	37.7	37.8
Chemicals and allied products	42.5	42.7	43.3	43.0	42.6	42.8	42.6	43.2	43.3	43.1
Petroleum and coal products	45.8	45.6	44.7	44.8	(2)	(2)	(2)	(2)	(2)	(2)
Rubber and misc. plastics products	41.3	41.2	41.5	41.4	41.1	41.1	41.1	41.4	41.2	41.2
Leather and leather products	37.3	37.8	37.9	37.0	37.1	37.6	37.7	37.3	37.7	36.9
Transportation and public utilities	38.7	38.9	39.0	38.7	38.5	38.9	38.4	38.7	38.8	38.5
Wholesale trade	38.1	38.2	38.4	38.2	37.9	38.4	37.9	38.2	38.2	38.1
Retail trade	28.4	29.3	28.8	28.4	28.4	28.9	28.4	28.6	28.8	28.4
Finance, insurance, and real estate	35.5	35.7	36.1	35.5	(2)	(2)	(2)	(2)	(2)	(2)
Services	32.4	32.7	32.6	32.4	32.3	32.7	32.2	32.4	32.6	32.4

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

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

p = preliminary.

ESTABLISHMENT DATA

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

Industry	Average hourly earnings				Average weekly earnings			
	Oct. 1990	Aug. 1991	Sept. 1991p/	Oct. 1991p/	Oct. 1990	Aug. 1991	Sept. 1991p/	Oct. 1991p/
Total private	$10.14	$10.31	$10.46	$10.45	$347.80	$357.76	$362.96	$359.48
Seasonally adjusted	10.10	10.40	10.42	10.41	345.42	356.72	359.49	357.06
Mining	13.73	14.16	14.36	14.19	612.36	630.12	643.33	632.87
Construction	13.97	14.03	14.14	14.14	530.86	542.96	551.46	554.29
Manufacturing	10.94	11.17	11.28	11.27	447.45	456.85	466.99	463.20
Durable goods	11.50	11.77	11.89	11.87	476.10	484.92	497.00	493.79
Lumber and wood products	9.14	9.36	9.40	9.35	367.43	380.02	383.52	376.81
Furniture and fixtures	8.61	8.82	8.88	8.86	337.51	348.39	355.20	349.97
Stone, clay, and glass products	11.18	11.41	11.43	11.41	468.64	481.50	486.92	483.78
Primary metal industries	13.08	13.42	13.52	13.52	559.82	571.69	582.71	580.01
Blast furnaces and basic steel products	15.04	15.44	15.56	15.67	654.24	671.64	684.64	687.91
Fabricated metal products	10.95	11.23	11.32	11.31	453.33	464.92	475.44	473.89
Industrial machinery and equipment	11.90	12.15	12.24	12.27	499.80	504.23	517.75	514.11
Electronic and other electrical equipment	10.45	10.78	10.85	10.82	427.41	436.59	445.94	440.37
Transportation equipment	14.41	14.83	15.06	15.01	612.43	619.89	644.57	643.93
Motor vehicles and equipment	15.00	15.32	15.66	15.55	649.50	651.10	689.04	685.76
Instruments and related products	11.46	11.66	11.74	11.76	469.86	474.56	484.86	483.34
Miscellaneous manufacturing	8.62	8.85	8.90	8.85	346.52	354.89	358.67	356.73
Nondurable goods	10.20	10.42	10.49	10.50	410.04	422.01	427.99	425.25
Food and kindred products	9.54	9.81	9.87	9.89	391.14	403.19	408.62	404.50
Tobacco products	15.81	16.58	16.02	16.08	645.05	653.25	642.40	644.81
Textile mill products	8.12	8.36	8.42	8.41	325.61	349.45	351.96	348.17
Apparel and other textile products	6.65	6.80	6.86	6.78	243.39	254.32	257.94	255.61
Paper and allied products	12.43	12.72	12.79	12.80	541.95	550.78	560.20	556.80
Printing and publishing	11.36	11.56	11.67	11.63	431.68	439.28	445.79	440.78
Chemicals and allied products	13.74	14.06	14.22	14.34	583.95	600.36	615.73	616.62
Petroleum and coal products	16.40	16.80	17.15	17.08	718.32	732.48	766.61	765.18
Rubber and misc. plastics products	9.87	10.11	10.17	10.19	407.63	416.53	422.06	421.87
Leather and leather products	6.96	7.10	7.18	7.20	259.61	268.38	272.12	266.40
Transportation and public utilities	13.08	13.26	13.31	13.31	506.20	515.81	519.09	515.10
Wholesale trade	10.86	11.14	11.24	11.17	413.77	425.55	431.62	426.69
Retail trade	6.83	6.97	7.07	7.07	193.97	204.22	203.62	200.79
Finance, insurance, and real estate	10.08	10.37	10.52	10.48	357.84	370.21	379.77	372.04
Services	9.96	10.15	10.34	10.33	322.70	331.91	337.08	334.69

1/ See footnote 1, table B-2.

p = preliminary.

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

Industry	Oct. 1990	June 1991	July 1991	Aug. 1991	Sept. 1991p/	Oct. 1991p/	Percent change from: Sept. 1991-Oct. 1991
Total private:							
Current dollars	$10.10	$10.37	$10.36	$10.40	$10.42	$10.41	-0.1
Constant (1982) dollars2/	7.43	7.49	7.47	7.49	7.48	N.A.	(3)
Mining	13.83	14.30	14.24	14.27	14.35	14.29	-.4
Construction	13.86	13.98	14.01	14.07	14.03	14.03	.0
Manufacturing	10.96	11.19	11.22	11.25	11.26	11.28	.2
Excluding overtime4/	10.50	10.71	10.74	10.76	10.77	10.78	.1
Transportation and public utilities	13.05	13.23	13.26	13.30	13.26	13.27	.1
Wholesale trade	10.88	11.23	11.14	11.22	11.23	11.19	-.4
Retail trade	6.82	7.01	7.03	7.04	7.05	7.06	.1
Finance, insurance, and real estate	10.09	10.50	10.40	10.47	10.56	10.48	-.6
Services	9.92	10.29	10.25	10.30	10.33	10.29	-.4

1/ See footnote 1, table B-2.

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

3/ Change was -0.1 percent from August 1991 to September 1991, the latest month available.

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

N.A. = not available.

p/ = preliminary.

ESTABLISHMENT DATA

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers1/ on private nonfarm payrolls by industry

(1982=100)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Oct. 1990	Aug. 1991	Sept. 1991p/	Oct. 1991p/	Oct. 1990	June 1991	July 1991	Aug. 1991	Sept. 1991p/	Oct. 1991p/
Total private	123.9	124.1	123.7	122.7	122.6	122.1	120.7	121.5	122.2	121.4
Goods-producing industries	110.8	107.2	108.1	107.2	107.7	103.8	103.8	104.4	104.5	104.2
Mining	66.1	63.5	62.9	62.3	64.4	64.2	62.5	62.2	60.9	60.8
Construction	141.6	136.4	135.8	134.5	130.9	124.4	123.8	123.5	124.9	124.6
Manufacturing	107.1	103.8	105.2	104.3	105.6	102.0	102.3	103.2	103.0	102.8
Durable goods	105.4	99.8	101.7	100.9	104.2	99.4	99.6	100.3	100.1	99.6
Lumber and wood products	128.9	126.9	126.8	123.5	126.3	122.4	121.3	122.1	122.3	121.2
Furniture and fixtures	123.9	117.5	119.7	118.7	120.8	117.1	115.5	116.5	116.8	116.2
Stone, clay, and glass products	109.7	105.3	106.1	105.4	106.4	101.6	101.6	101.6	102.4	102.1
Primary metal industries	92.8	87.9	89.0	87.6	92.6	86.7	87.8	88.8	87.9	87.6
Blast furnaces and basic steel products	81.9	77.5	78.2	76.7	83.5	75.7	76.2	78.0	77.7	77.6
Fabricated metal products	108.1	102.2	104.7	104.3	106.6	101.6	102.1	102.9	103.2	102.8
Industrial machinery and equipment	96.0	89.6	91.4	90.7	96.6	91.2	90.3	91.3	91.4	90.9
Electronic and other electrical equipment	105.7	100.7	101.9	101.1	104.7	101.3	101.4	101.5	100.9	100.0
Transportation equipment	120.2	111.6	116.1	115.3	118.5	111.0	113.9	114.7	113.6	113.4
Motor vehicles and equipment	130.2	124.4	131.9	130.7	128.4	121.8	128.6	128.6	126.6	126.3
Instruments and related products	86.1	82.3	83.1	82.6	85.5	83.3	82.3	82.6	82.6	82.1
Miscellaneous manufacturing	105.3	100.1	101.8	103.6	101.5	97.1	98.4	99.2	99.5	99.9
Nondurable goods	109.4	109.3	110.0	109.0	107.6	105.8	106.0	107.2	107.0	107.2
Food and kindred products	115.4	120.1	120.7	116.2	110.4	110.4	109.0	111.4	111.1	111.0
Tobacco products	77.6	73.1	75.5	74.6	70.0	68.8	69.7	74.5	68.8	66.9
Textile mill products	97.2	100.3	100.5	99.7	95.9	96.8	98.0	98.7	98.5	98.5
Apparel and other textile products	93.9	96.8	96.0	97.0	92.3	92.1	94.2	96.5	94.9	95.5
Paper and allied products	111.9	110.9	111.5	110.5	111.1	108.9	109.7	110.5	110.2	109.8
Printing and publishing	127.5	123.2	123.4	122.7	127.4	122.7	122.6	122.9	122.8	122.7
Chemicals and allied products	103.9	102.7	102.8	103.3	104.4	101.9	100.9	102.9	102.6	103.7
Petroleum and coal products	87.8	88.2	89.5	89.7	86.0	86.2	85.4	86.4	86.5	86.9
Rubber and misc. plastics products	129.5	123.6	125.2	125.9	128.0	122.1	122.5	124.1	123.9	124.2
Leather and leather products	61.2	57.8	57.9	56.2	60.0	56.0	57.3	56.1	56.8	55.0
Service-producing industries	129.8	131.7	130.7	129.6	129.3	130.3	128.2	129.2	130.2	129.0
Transportation and public utilities	116.1	115.2	116.7	116.1	114.3	114.8	113.5	114.5	115.0	114.2
Wholesale trade	116.4	114.5	114.5	114.0	115.7	114.5	112.9	113.4	113.5	113.1
Retail trade	121.7	124.1	121.0	118.9	121.7	121.5	119.3	120.1	120.9	118.8
Finance, insurance, and real estate	119.4	121.0	120.6	118.1	119.4	121.3	117.9	119.0	120.4	118.1
Services	146.4	150.2	149.6	149.2	146.1	148.5	146.4	147.8	149.1	148.7

1/ See footnote 1, table B-2.

p = preliminary.

ESTABLISHMENT DATA

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

(Percent)

Time span	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept	Oct.	Nov.	Dec.
	Private nonfarm payrolls, 356 industries1/											
Over 1-month span:												
1989	64.5	59.0	58.7	53.9	52.7	53.8	52.9	54.6	49.2	56.6	59.6	52.1
1990	58.1	58.1	52.2	48.7	52.8	48.3	46.6	47.8	45.1	41.4	40.3	42.0
1991	38.5	36.9	38.6	38.5	51.1	45.8	51.3	54.8	p/50.8	p/48.6		
Over 3-month span:												
1989	67.6	65.2	61.1	56.2	54.5	53.9	54.9	52.5	55.9	56.0	55.8	59.1
1990	58.8	59.0	54.4	50.7	48.7	49.4	45.6	43.7	40.0	37.4	35.8	35.1
1991	31.6	30.8	30.3	38.3	39.5	48.9	51.7	p/54.2	p/51.1			
Over 6-month span:												
1989	67.7	65.0	63.3	59.0	56.5	53.4	54.5	55.9	53.8	58.1	57.9	59.1
1990	56.6	55.2	55.2	51.8	47.6	44.9	42.7	38.6	37.2	34.8	30.9	28.8
1991	26.7	31.2	29.5	34.3	41.2	p/47.5	p/50.7					
Over 12-month span:												
1989	65.3	65.2	62.2	61.5	61.5	59.6	57.6	56.7	55.8	56.0	55.5	55.6
1990	54.6	54.5	51.4	48.3	46.6	43.5	40.3	35.8	34.1	30.6	32.0	30.2
1991	30.2	30.6	p/30.2	p/32.6								
	Manufacturing payrolls, 139 industries1/											
Over 1-month span:												
1989	58.6	50.7	48.9	47.5	47.1	44.2	44.2	45.7	38.8	48.2	48.6	45.3
1990	46.0	51.1	41.4	47.8	41.7	39.6	43.2	40.3	38.8	34.5	27.3	33.8
1991	31.7	28.4	29.9	38.5	46.8	46.0	53.2	53.2	p/46.4	p/46.0		
Over 3-month span:												
1989	56.5	54.3	49.3	43.5	42.8	42.1	40.3	36.3	39.9	41.0	41.0	41.7
1990	45.0	43.2	45.0	38.1	38.1	37.4	35.6	31.3	27.0	23.0	21.6	18.3
1991	19.4	16.5	18.0	30.2	36.3	48.9	57.2	p/56.5	p/45.7			
Over 6-month span:												
1989	57.9	51.8	48.6	45.0	41.7	38.1	38.1	38.1	35.6	38.8	39.6	39.6
1990	39.9	36.7	37.1	40.3	32.4	30.6	26.1	20.5	21.2	17.3	16.2	11.9
1991	10.4	17.3	19.4	23.4	38.5	p/45.7	p/50.4					
Over 12-month span:												
1989	53.6	56.1	51.8	46.4	44.6	41.7	38.1	35.3	34.9	36.3	32.4	32.7
1990	35.3	33.5	31.3	29.5	25.2	20.9	19.8	14.0	12.9	10.1	11.2	10.4
1991	13.3	14.7	p/14.0	p/17.3								

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

p = preliminary.

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

SENATOR SARBANES. Thank you very much, Commissioner.

What was the unemployment rate a year ago? Do you have that figure?

MRS. NORWOOD. Yes, I do. It was 5.7 percent.

SENATOR SARBANES. 5.7 percent?

MRS. NORWOOD. Yes.

SENATOR SARBANES. We are now at 6.9 percent. Is that correct?

MRS. NORWOOD. That's right.

SENATOR SARBANES. Now, we were at 7 percent in June. That is the highest we have been in this recession. Is that correct?

MRS. NORWOOD. Yes.

SENATOR SARBANES. Is this the first time that the figure has gone back up in the course of this recession?

MRS. NORWOOD. It seems to me that it has bounced around within a tenth. And I'm not sure that I would call that up or not. I don't think it went down.

MR. BREGGER. No, it's not the first time. Just one moment.

MRS. NORWOOD. We consider, as I said in my statement, that the unemployment rate really has been on hold since about March.

MR. BREGGER. Mr. Chairman, it had gone from 6.8 percent in March to 6.6 percent in April, followed by going up to 6.9 percent in May.

SENATOR SARBANES. I see. All right. Now, you say that the labor force has grown very slowly. In fact, hardly at all since spring.

That's contrary to expectations. Is that correct?

MRS. NORWOOD. We expected that the labor force would grow more slowly, but not as slowly as it has grown. And as I indicated in my report and as we have discussed several times here, labor-force participation rates seem to have dropped both for young people and women.

We expect to have a slower growing labor force because we had lower birth rates some years ago. But in addition to that, we have had a decline in labor-force participation rates for these two groups.

REPRESENTATIVE FISH. Mr. Chairman?

SENATOR SARBANES. Certainly.

REPRESENTATIVE FISH. I find that interesting. You say that participation among adult women, which had been growing rapidly for many years, has leveled off since July 1990.

MRS. NORWOOD. Yes.

REPRESENTATIVE FISH. When the recession began. How do you account for that?

MRS. NORWOOD. There are several explanations that can be made. One, of course, is the recession; that women, like others, are having difficulties and decide that the best thing to do is to stop looking for work for a while.

Another possibility is that many young women—and the 25-to-34-year age group are particularly affected—had decided that they would postpone having children and that, given the state of the economy and other things

in their lives, this is a good time to leave the labor force, at least temporarily, to have a child.

Birth rates have gone up.

REPRESENTATIVE FISH. That latter is not a recent phenomenon, having children later than previous generations.

So, it's really a job opportunity. It's not a question of they don't need the job. It's a question of the jobs are not there is the principal reason.

MRS. NORWOOD. That's certainly a good part of it. There are many, however, who do focus on the fact that birth rates did go up considerably during this period.

REPRESENTATIVE FISH. Thank you, Mr. Chairman.

SENATOR SARBANES. Commissioner, earlier the Bureau issued a release on employment and earnings characteristics of families for the third quarter of 1991.

As I understand it, that indicates that one out of every ten families had someone unemployed.

MRS. NORWOOD. That's right.

SENATOR SARBANES. During that quarter. Is that correct?

MRS. NORWOOD. That's correct.

SENATOR SARBANES. And that the median weekly earnings of families—wage and salaried workers—has actually declined in real terms. Is that correct?

MRS. NORWOOD. [Nods in the affirmative.]

SENATOR SARBANES. Now, has their money wages increased?

MRS. NORWOOD. Yes.

SENATOR SARBANES. By what amount?

MR. BREGGER. The median really stayed about the same. It was $509 in the third quarter of 1990 and $502 in the third quarter of 1991.

MRS. NORWOOD. Is that in real terms?

MR. BREGGER. No, it's actual terms.

MRS. NORWOOD. Actual, OK. It was $509?

MR. BREGGER. $509 in the third quarter of 1990 and $502 in the third quarter of 1991.

MRS. NORWOOD. It stayed the same.

MR. BREGGER. It's about the same.

SENATOR SARBANES. That is in actual dollars.

MRS. NORWOOD. Yes.

SENATOR SARBANES. Then, if you take into account inflation, it rose by what percent during that period of time?

MRS. NORWOOD. That's over the quarter.

MR. BREGGER. Inflation went up by 3.9 percent.

MRS. NORWOOD. Roughly, 4 percent, 3.9 percent.

SENATOR SARBANES. About 4 percent. So, inflation went up about 4 percent, but the earnings stayed about the same. Is that right?

MRS. NORWOOD. That's right, yes.

SENATOR SARBANES. So, it is really about a 4 percent cut in the real standard of living.

MR. BREGGER. I'd like to correct something just now.

SENATOR SARBANES. Sure.

MR. BREGGER. I gave you the figure for Hispanics. I was reading the table incorrectly. There was a very small increase among families with wage and salary workers between the third quarter of 1990 and the third quarter of 1991. It went from $659 to $671. That's hardly any change, but it was a small increase, at least.

SENATOR SARBANES. OK. So, there was a slight increase, but the inflation increase was much greater. Is that correct?

MR. BREGGER. That's correct.

REPRESENTATIVE ARMEY. Mr. Chairman?

SENATOR SARBANES. Sure.

REPRESENTATIVE ARMEY. I want to be sure I understand. Did you say inflation went up 4 percent?

MRS. NORWOOD. 3.9 percent.

REPRESENTATIVE ARMEY. 3.9 percent increase in the rate of inflation.

MRS. NORWOOD. Yes.

REPRESENTATIVE ARMEY. Can you tell me what the numbers are? Increased from what to what?

MRS. NORWOOD. The inflation numbers?

REPRESENTATIVE ARMEY. Yes. Are you talking about the rate of inflation went up by that amount?

MRS. NORWOOD. We're talking about the percentage increase in the consumer price index during that period.

REPRESENTATIVE ARMEY. OK. And it went up by 3.9 percent.

MRS. NORWOOD. 3.9 percent.

REPRESENTATIVE ARMEY. What was the time period?

MRS. NORWOOD. It was the third quarter of 1991.

REPRESENTATIVE ARMEY. Thank you. Thank you, Mr. Chairman.

SENATOR SARBANES. Commissioner, that is an increase in prices of almost 4 percent.

MRS. NORWOOD. That's right.

REPRESENTATIVE FISH. It's not added onto any other figure. That is the inflation rate for that period.

SENATOR SARBANES. They would be confronting prices when they went to spend their salary checks that were 4 percent higher than previously.

REPRESENTATIVE FISH. Right.

SENATOR SARBANES. And their salary checks——

MRS. NORWOOD. Have gone up.

SENATOR SARBANES. ——were roughly the same. They had gone up just a little bit from the figures that were given us.

MR. BREGGER. It was a 1.8 percent increase, actually.

SENATOR SARBANES. Pardon?

MR. BREGGER. The earnings went up by 1.8 percent over the year.

SENATOR SARBANES. OK. That was a year period, from the third quarter of 1990 to the third quarter of 1991?

MR. BREGGER. That's right.

SENATOR SARBANES. OK.

REPRESENTATIVE ARMEY. Mr. Chairman?

SENATOR SARBANES. Yes.

REPRESENTATIVE ARMEY. This may be a semantic confusion.

SENATOR SARBANES. We do not want any confusion. We want to get it clear.

REPRESENTATIVE ARMEY. Are you saying that the inflation rate went to 3.9 percent or up by 3.9 percent?

MRS. NORWOOD. Up by 3.9 percent.

REPRESENTATIVE ARMEY. OK.

MRS. NORWOOD. The increase in the CPI for the period that was covered by these earnings was 3.9 percent.

REPRESENTATIVE ARMEY. That's the change. And can you tell me, it went from what number then to what number, the beginning and end numbers?

MRS. NORWOOD. We can check that.

REPRESENTATIVE ARMEY. I'm sorry. I'm frankly surprised to see that it went up by that much.

REPRESENTATIVE FISH. Do you see the problem we're having? It's whether, during the third quarter of this year, the rate of inflation is 3.9 percent, or whether 3.9 is tacked onto whatever the rate of inflation was at the start of that period.

SENATOR SARBANES. No. As I understand it, Commissioner, prices in the third quarter of 1991 were 4 percent higher than they were in the third quarter of 1990. Is that correct?

MRS. NORWOOD. That's right.

SENATOR SARBANES. OK.

MRS. NORWOOD. 3.9 percent.

REPRESENTATIVE ARMEY. Then the inflation rate is 3.9.

MRS. NORWOOD. That's right.

REPRESENTATIVE ARMEY. OK.

MRS. NORWOOD. And the earnings went up 1.8 percent.

SENATOR SARBANES. So, for a wage or salary earner in this last quarter, compared with a year earlier, while the earnings had increased by 1.8 percent, the prices that they had to pay with their salary check had gone up 3.9 percent.

REPRESENTATIVE ARMEY. Right.

MRS. NORWOOD. That's right.

SENATOR SARBANES. So, they were worse off than they were a year earlier, in terms of their standard of living. Is that correct?

MRS. NORWOOD. That's correct.

SENATOR SARBANES. OK.

REPRESENTATIVE ARMEY. May I again?

SENATOR SARBANES. Surely.

REPRESENTATIVE ARMEY. Was there a change in the inflation rate in this quarter from beginning to end?

MR. BREGGER. The monthly changes in the third quarter of 1990 would have been 0.4 percent, 0.8 percent, 0.8 percent.

And in the third quarter of 1991, they were 0.2 percent, 0.2 percent, and 0.4 percent. Those are the changes for those 3 months.

MRS. NORWOOD. So, slightly less.

REPRESENTATIVE ARMEY. OK. Thank you again.

SENATOR SARBANES. Now, Commissioner, this 6.8 percent unemployment figure, I want to try to relate it to changes in the GNP figure. Is there any sort of direct correlation between changes in the GNP figure and the unemployment rate?

MRS. NORWOOD. I'm not aware of any direct relationship. There is the work of Art Okun and others, which has been interpreted at least as being a kind of rule-of-thumb of 3 percent change in GNP and a percentage point change in the unemployment rate.

That's a long time ago, and those relationships may no longer hold.

SENATOR SARBANES. Now, in this recession, we had three straight quarters of decline in GNP. Is that correct?

MRS. NORWOOD. I believe so.

SENATOR SARBANES. I think it was 1.8 percent negative growth in the last quarter of last year?

MRS. NORWOOD. I don't have the GNP numbers with me, but I believe that's correct.

SENATOR SARBANES. The last quarter, we had an increase in GNP after three consecutive quarters of negative growth of 2.4 percent.

MRS. NORWOOD. That's right.

SENATOR SARBANES. I indicated in my opening statement that that was the weakest growth after negative growth in any of the postwar recessions. Is that correct?

MRS. NORWOOD. I don't have those figures, but I don't have any reason to doubt it.

SENATOR SARBANES. In how many recessions have there been a double-dip? Is that a common pattern?

MRS. NORWOOD. I don't know because part of the problem really is that there are a number of different estimates of GNP. They go up or down and then they change.

I can tell you that in the labor market that there are times when things seem to improve and then they worsen and then they improve again.

SENATOR SARBANES. This is in a recession or trying to come out of a recession?

MRS. NORWOOD. Yes.

SENATOR SARBANES. So, unemployment would start down and then go back up again?

MRS. NORWOOD. We have had——

MR. BREGGER. Well, like the one I cited earlier when it had gone down—I believe it was April—and then went right back up. And there have been other examples like that. That's the most recent example.

SENATOR SARBANES. As I understand it, the payroll employment figures in this recession have really been essentially on a plateau for about 6 months. Is that right? There's been virtually no growth in payroll employment.

MRS. NORWOOD. On average, yes. There have been some negative months, some positive, and so on.

SENATOR SARBANES. We are now about where we were 6 months ago.

MRS. NORWOOD. That's true, yes.

SENATOR SARBANES. Is that a typical pattern, or is that an unusual pattern?

MRS. NORWOOD. Employment in the goods-producing industries has been going down. In other recessions, services jobs were up more than they are now. So, services has been affected more in this period than in previous ones.

SENATOR SARBANES. Well, I have a vote on. I am going to go vote and yield to my colleagues to go ahead and ask questions, and then I will return and pursue some of these matters with you.

MRS. NORWOOD. Fine.

SENATOR SARBANES. Thank you very much.

REPRESENTATIVE ARMEY. Thank you, Mr. Chairman.

Commissioner Norwood, I'd like to be clear. In your family income study that we've been discussing, are we studying the family's gross income or their after-tax income?

MRS. NORWOOD. This is weekly earnings. Gross.

REPRESENTATIVE ARMEY. Gross earnings.

MRS. NORWOOD. Yes.

REPRESENTATIVE ARMEY. OK. So, if the purchasing power of those gross earnings are reduced by extracurricular variables, it would be inflation, which we've acknowledged. But we would not, then, be looking at the impact of the tax increases that we've seen both nationally and by state recently. This simply is not part of the accounting for the erosion of earning power by the family.

When you do this study, do you include fringe benefits?

MRS. NORWOOD. No, this is money wages, usual weekly earnings.

REPRESENTATIVE ARMEY. OK. All right.

MRS. NORWOOD. We do have studies of fringe benefits, but those are in other surveys and are not related to families. Those data are from business establishments.

REPRESENTATIVE ARMEY. Now, one of the things that I've been concerned about, if you take a look at the changes in GNP—and we get our data fairly current, at least quarterly—clearly, by the end of the second quarter of 1989, it was evident that the economy had softened considerably and could have been at the brink of a recessionary trend, if nothing else.

We had a growth rate in constant dollars of GNP in the first quarter of 3.6. That had dropped to 1.6. That certainly would be a highly noticeable figure. It then dropped to 1.7 and then dramatically to 0.3 percent.

In the old days of finetuning, when we used to have these fantasies that we could combine both a monetary and fiscal policy coordinated, and recognizing lags and so forth, as well as we did in the 1960s, we would have probably responded to that with a combination of monetary and fiscal policy.

The fact is that in January or February 1989, soon after he took office, the President did send a supplementary budget to Congress, remembering, if you will, that President Reagan had submitted the fiscal 1990 budget prior to his leaving office. And in that budget message that President Bush had sent up—it was either January or February—he called for Congress to enact, through fiscal policy on the taxation side, stimulation to the economy.

I recall the speech and I recall that, for example, it included allowances for research and development. It included less prejudicial capital gains.

And please—I have this penchant for political correctness and economic accuracy in my speech—for us to look at a capital gains nominal rate, which is the same as the nominal rate on current earnings and called anything lower than that, preferential capital gains, is inaccurate because the equivalent nominal rate applied to capital gains, as applied to current earnings—wages—is a prejudicial capital gains rate.

So, if you reduce that nominal rate, you probably might have to reduce it by half or a third in order to get to a real capital gains rate that was in fact the same rate.

But, at any rate, the President did have, as it were, a pro-growth set of tax recommendations. Congress, of course, did not act on that.

Then, clearly, as we moved through 1989, it became evident that the economy was getting weaker and weaker, and this evidence was clearly detected by Congressman Jenkins and Archer, and they proposed the less prejudicial capital gains rate known as Archer/Jenkins, which had the added feature, by the way, and more important feature of indexing capital gains.

The most important thing about indexing capital gains is, one, it corrects our data base that is severely distorted by this aberration and the treatment of capital gains, and, two, it allows American businesses to have a more extended time horizon in making investment decisions that would, in fact, make them more competitive with the extended time horizon that's enjoyed by the Japanese investor.

So, a very thoughtful proposal, clearly seen by the House Ways and Means Committee majority to be a good proposal needed at the time—fiscal policy. And, in fact, it was accepted as such by the House by a vote of a one hundred vote margin.

So, what I'm saying is that there was clear evidence that something needed to be done to avert a recession in 1989, and action was recommended by the President, and action was taken by the House.

Of course, we all know that that fiscal policy alternative was thwarted in the Senate.

Now, what I'm concerned about here is that we have, then, by rejecting fiscal policy options that might avert a recession, by then going on and further exacerbating the crime in the infamous budget summit deal of giving the Nation the largest tax increase in its history at the inception of a recession, we not only failed to do, on the fiscal policy side, what could have been done, but did exactly the worst thing, by, for example, Congressman Rostenkowski's observation that the worst thing you can do is raise taxes in a recession. Thus, leaving us more heavily reliant on monetary policy.

Now, I have a real concern about that, having observed the great stagflation of the 1970s, that if, in fact, you try to countermand a recession in production, in employment and so forth with monetary policy alone, you create the circumstances for exacerbated rates of inflation. And thus, create the worst of all possible dilemmas.

You may recall that the stagflation began in the 1960s, and it took us throughout the remainder of the 1960s. I mark its inception with the great guns and butter speech of 1965. But it took us throughout the entire 1970s and into the 1980s before we resolved this dilemma.

So, I fear a recreation of stagflation, realizing that the dilemma is almost an impossible knot. To some extent, the economic profession agreed in 1980 and 1981 that the only way to break the cycle of stagflation was to first create the recession in order to break the back of inflation, which is what eventually did work.

So, I'm very concerned. And, of course, I almost came right out of my chair when I thought I had heard you say that the CPI had increased by 4 percent. This, to me, would have been an alarm of enormous proportions. So, I'm pleased to see that we got that cleared up.

MRS. NORWOOD. It did increase by 3.9 percent.

REPRESENTATIVE ARMEY. There was no change in the CPI from quarter two to quarter three of 4 percent. That's the key.

MRS. NORWOOD. There was a change in prices.

REPRESENTATIVE ARMEY. There was a change in prices, absolutely.

MRS. NORWOOD. All right.

REPRESENTATIVE ARMEY. I think we're absolutely there, and we do have a semantic confusion, maybe, in me being an economic theoretician and you being a practically applied statistician, we will probably have these little confusions.

But what you said we had is correct, and doesn't scare the devil out of me. What I thought I heard you say, thank God, is incorrect and does scare the devil out of me.

But we're fine on that point. Everybody here in the room is correct. I think we're OK.

It didn't change by 4 percent. That's a nervous point, and I don't think it was a matter of me just hearing something differently.

Prices changed by 4 percent.

MRS. NORWOOD. The CPI rose by 3.9 percent.

REPRESENTATIVE ARMEY. All right. Well, I think we're OK. It's just a matter of a difference in expressing it.

Now, with respect to this tendency, this decline in the labor-force participation rate, you have suggested that the decline in the labor-force participation rate is higher than what one would predict, based on demographic data alone—population data, birth rates and so on. And you've also identified that this change, and I'm going to guess at the extraordinary change, the extra predictable change, is primarily among young people from 19 to 24, and women.

MRS. NORWOOD. And a bit with older men, yes.

REPRESENTATIVE ARMEY. Let me say, and I want to put this as delicately as I can for fear of being misunderstood—I have to share with you, I'm a fisherman. I don't know if you knew that. It's one of my great joys in life, I'm an angler. While I was out fishing a couple of weeks ago, I realized that fishing is not unlike politics, because I was using a spinner bait. That is to say, I would put my spin on the lure, and if the fish were a sucker, he'd take it.

We do this in politics. If we're not careful, we set ourselves up to say something that somebody can redefine in a very pejorative manner, and then, of course, compel us, if they can, to apologize for what it is they said we said.

But let me put this delicately. If, in fact, the extraordinary change falls primarily in the category of people in the age group of 19 to 24 and women, we can say very cautiously that one characteristic you would find in this component of the labor force is greater flexibility in the choice to work or not work within a given time framework.

MRS. NORWOOD. I would disagree with that.

REPRESENTATIVE ARMEY. OK.

MRS. NORWOOD. I think you expected me to disagree with it.

REPRESENTATIVE ARMEY. No, no, I wasn't. This is not an empirical point.

MRS. NORWOOD. I think that——

REPRESENTATIVE ARMEY. I have to tell you, I have four boys between the ages of 19 and 24, and they find it quite a flexible arrangement. My 25-year-old daughter, on the other hand, has no doubt.

MRS. NORWOOD. But there are many people, many women, for example, who hold down more than one job because they need the income to

support families, since there are so many women maintaining households on their own.

Women have become an important part of the work force today.

REPRESENTATIVE ARMEY. I couldn't agree with you more.

MRS. NORWOOD. And I think they are working because they need money.

REPRESENTATIVE ARMEY. I couldn't agree with you more. And I don't want to argue that point.

MRS. NORWOOD. OK.

REPRESENTATIVE ARMEY. I certainly don't want to give any sense that I have failed to appreciate that point and the importance of that point.

MR. BREGGER. Excuse me, Congressman Armey. This point may help.

Youth, I think, has been affected particularly by this current recession because of the fact that so many of the jobs that were reduced were in the service-producing sector, particularly retail trade. These are the types of jobs that youth typically get. And this is the first time that we've had retail trade declining like it has.

I think that's one of the reasons we found declining participation this time among youth.

REPRESENTATIVE ARMEY. And I think that's true. And, of course, I think it would have a more immediate impact on the unemployment rate. And then a secondary impact on the growth in the labor force, the participation rate.

MR. BREGGER. In many cases, the youth, when they don't find a job, instead of continuing to search for work, just leave the labor force, maybe to concentrate on other things, which includes school, perhaps.

REPRESENTATIVE ARMEY. Right. OK. Let me get to the point. My staff director just told me to do that, so let me do so.

What I'm saying is that for every person in the labor force, to some degree or another, for every participant in the labor force, to work or not to work, to work more or to work less, is always a rational decision, whereby one trades off their leisure time against work time, depending upon the extent to which they're compensated by the sacrifice. Now, I'm going to say, if we're in a period of time where your gross earnings are eroded in their real value to you by a rate of inflation of, say, 4 percent, and that if we're in a period of time where we have seen in this past 6 months, where both at the federal and state levels, your take-home pay is eroded in its value by increases in taxes, that more and more workers would find themselves making a choice between working for less and not working, and to the extent that they had the option, they may withdraw from the labor force.

If I can give you a very homely example.

My wife is a professional therapist. She's in a private practice. She has just determined that for her to work means that, for every dollar of gross earnings she has, she must give 48 cents to some branch of the government in taxes.

She then clearly makes the decision, should I take on more clients and work more hours for 52 cents on the dollar? And quite rationally says, I have better things I can do with my leisure time at 52 cents on the dollar. And if I were getting 80 cents on the dollar, it would be a different matter.

There being a price elasticity of demand for her product, she cannot just pass those taxes onto her clients, or they would go elsewhere.

So, she makes a rational decision.

We all know, and I think have a clear documentation, that taxes kill job opportunities. But the question I'm searching for is that we have an unpredicted decrease in labor force participation. Is it possible that tax increases can be a part of the explanation for that, both state and local?

I just read a story today about the enormous tax increases in California and New Jersey and in a half dozen other states—Texas. I just can't believe that that would not be part of the information that a rational decisionmaker would take into their equation.

MRS. NORWOOD. Congressman, I think that that is certainly a correct scenario for someone in a very high income bracket.

But many of the people of this country are working at an income level that really makes that kind of rational decision sometimes a luxury.

REPRESENTATIVE ARMEY. There's no doubt about it. When I was in graduate school, I was thrilled to death for one, two-week period in January in North Dakota to shovel coal for a dollar an hour, because I was so desperately in need of money.

MRS. NORWOOD. That's right.

REPRESENTATIVE ARMEY. And there's no doubt about that.

MRS. NORWOOD. That's my point.

REPRESENTATIVE ARMEY. I have lived your point. I know it well. But my point is, we're trying to understand what's happening in our labor force. So, let me ask you this, then, getting to the point.

When you look at this extraordinary decline in the labor-force participation rate and you break it down—you have it by age and gender and so forth—do you have a way to obtain information regarding, then, family income, so you would say, for example, my wife, being married to a congressman, has greater flexibility in her choice to work, more or less, than the wife of what I used to be, a college professor.

Remember the old line—tenure means not having enough money forever.

[Laughter.]

And when I was a professor, my wife would not have had the flexibility of choices that she does now.

MRS. NORWOOD. We do not have that cross-tabulated in that way.

I think the point that concerns me, Congressman, is that the drop in labor-force participation rates for young people is a matter of concern, because it means that those young people who normally would be participating in the labor force, whatever the reasons, are not getting the kind

of work-force experience that they ought to be getting at a young age so that later on, when they have families and settle down, they will be able to be more qualified workers.

And I think that is a problem that we in this country have to face.

REPRESENTATIVE ARMEY. And I couldn't agree with you more. I understand that point.

But my point is, if we have this aberration, something beyond what you would predict, and there are many predictors that would come before me and say, I'm seeing something that's different from what I would have predicted, and I'd say, well, that's probably because you made a bad prediction. I don't choose to jump to that conclusion in your case, given your record.

So, when you tell me that you have something different than you would have predicted, I think there's clearly something out there that we need to try to understand.

MRS. NORWOOD. May I say, Congressman, that we have not predicted anything about the labor-force participation rates that we're reporting. We are merely reporting to you that there has been a drop in the labor-force participation rate.

REPRESENTATIVE ARMEY. And you're saying that that rate is greater than what you would have expected.

Did you not say that? I don't want to quarrel with you about that.

MRS. NORWOOD. The Bureau is reporting on data that has actually happened.

REPRESENTATIVE ARMEY. I agree with that.

MRS. NORWOOD. OK.

REPRESENTATIVE ARMEY. Now, what I'm saying is, let me, then, observe from my understanding of what you said, that the decline in the labor-force participation rate is greater than what one would have thought would have been the case, given the demographic data. And we're trying to find out what circumstance could cause such an event to occur.

I'm wondering if it is possible that the erosion in the real net take-home pay, which derives from these fairly dramatic—I was up in New Jersey, and it's observed to be quite dramatic—increases in state taxes, along with the increases in federal taxes, would not be a very important part of the explanation for that behavior.

Your point, I think, is well taken insofar as you are talking about families, people in families with higher incomes. That would probably be a plausible explanation for some level of significance.

If you're talking about low-income people, that would be less plausible.

Now, you said that you have not made the cross-tabulations.

MRS. NORWOOD. No, we have not.

REPRESENTATIVE ARMEY. Are you capable of making the cross-tabulations?

MRS. NORWOOD. Yes, we could do that.

REPRESENTATIVE ARMEY. I don't know how big a job it is. If it's not too big a job, would you mind doing it so that I could satisfy my curiosity on this?

MRS. NORWOOD. We will have to look at what that is. The thing that bothers me most is the size of the samples.

We'll look at that and inform you about whether we can do it and when. But we certainly will try. It's an important point.

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

U. S. Department of Labor

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

Honorable Richard K. Armey
House of Representatives
Washington, D.C. 20515

Dear Congressman Armey:

At the Joint Economic Committee hearing on November 1, you requested that we provide you with data showing changes in labor force participation rates that take family income into account. I am enclosing three tables with these comparisons, based on data for March of 1990 and 1991, when annual income data were collected in the Current Population Survey.

As you can see from the tables, on an overall basis (all persons 16 years and over), the decline of three-tenths of a percentage point in the labor force participation rate--from 65.9 to 65.6 percent--occurred entirely among persons in the lower- and middle-income groups. For teenagers (16-19 year-olds), declines occurred across all income groups, whereas, for 20-24 year-olds, they were limited to those in the lower- and middle-income groups. Among women 25-34, who had a small overall decline in participation between March 1990 and 1991, most of it was among those with family incomes below $20,000; those in the high (above $50,000) income group actually experienced rising labor force participation.

I trust that you will find this information helpful. Please let me know if I can be of further assistance.

Sincerely yours,

JANET L. NORWOOD
Commissioner

Enclosures

Labor force participation in March 1990 and 1991, by sex, family status, age, and family income the previous year, unpublished estimates produced from March CPS supplement files

Both sexes, Total

Age by family income in previous year	Civilian noninstitutional population		Civilian labor force		Participation rates	
	March 1990	March 1991	March 1990	March 1991	March 1990	March 1991
Total, 16 years and over	187,524	189,238	123,499	124,074	65.9	65.6
$20,000 or less	57,685	55,466	27,016	25,611	46.8	46.2
$20,001 to $50,000	78,027	79,072	55,753	55,466	71.5	70.1
Over $50,000	51,813	54,700	40,729	42,997	78.6	78.6
16 to 19 years	13,918	13,511	7,122	6,571	51.2	48.6
$20,000 or less	3,869	3,570	1,692	1,485	43.7	41.6
$20,001 to $50,000	5,412	5,192	2,950	2,631	54.5	50.7
Over $50,000	4,636	4,749	2,481	2,455	53.5	51.7
20 to 24 years	17,824	17,806	13,576	13,426	76.2	75.4
$20,000 or less	6,699	6,419	4,826	4,542	72.0	70.8
$20,001 to $50,000	6,627	6,489	5,365	5,164	81.0	79.6
Over $50,000	4,498	4,899	3,385	3,720	75.3	75.9
25 to 34 years	42,793	42,459	35,700	35,208	83.4	82.9
$20,000 or less	12,033	11,701	8,779	8,309	73.0	71.0
$20,001 to $50,000	20,871	20,661	18,103	17,837	86.7	86.3
Over $50,000	9,889	10,096	8,818	9,063	89.2	89.8
35 to 44 years	36,931	38,408	31,418	32,676	85.1	85.1
$20,000 or less	7,374	7,472	5,215	5,256	70.7	70.3
$20,001 to $50,000	16,619	16,879	14,576	14,735	87.7	87.3
Over $50,000	12,937	14,058	11,627	12,685	89.9	90.2
45 to 54 years	25,262	25,636	20,265	20,723	80.2	80.8
$20,000 or less	4,972	4,749	2,981	2,821	60.0	59.4
$20,001 to $50,000	9,898	10,153	8,119	8,313	82.0	81.9
Over $50,000	10,392	10,735	9,165	9,589	88.2	89.3
55 to 64 years	21,230	21,333	11,793	11,873	55.5	55.7
$20,000 or less	6,509	6,083	2,348	2,163	36.1	35.6
$20,001 to $50,000	8,804	8,931	5,114	5,209	58.1	58.3
Over $50,000	5,917	6,319	4,331	4,501	73.2	71.2
65 years and over	29,566	30,085	3,626	3,597	12.3	12.0
$20,000 or less	16,228	15,473	1,176	1,036	7.2	6.7
$20,001 to $50,000	9,794	10,767	1,527	1,578	15.6	14.7
Over $50,000	3,544	3,845	923	983	26.0	25.6

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- force participation in March 1990 and 1991, by sex, family status, age, and family income the previous year,
_blished estimates produced from March CPS supplement files-Continued

n, Total

ge by family income in previous year	Civilian noninstitutional population		Civilian labor force		Participation rates	
	March 1990	March 1991	March 1990	March 1991	March 1990	March 1991
tal, 16 years and over	89,373	90,269	67,361	67,701	75.4	75.0
$20,000 or less	24,000	23,014	13,527	13,051	56.4	56.7
$20,001 to $50,000	38,751	39,230	30,870	30,536	79.7	77.8
Over $50,000	26,622	28,024	22,965	24,113	86.3	86.0
6 to 19 years	7,003	6,810	3,640	3,386	52.0	49.7
$20,000 or less	1,834	1,629	819	726	44.7	44.6
$20,001 to $50,000	2,778	2,728	1,526	1,377	54.9	50.5
Over $50,000	2,390	2,454	1,295	1,284	54.2	52.3
0 to 24 years	8,664	8,674	7,149	7,117	82.5	82.0
$20,000 or less	2,990	2,801	2,499	2,329	83.6	83.1
$20,001 to $50,000	3,306	3,223	2,854	2,737	86.3	84.9
Over $50,000	2,367	2,649	1,795	2,051	75.9	77.4
5 to 34 years	21,048	20,905	19,668	19,429	93.4	92.9
$20,000 or less	5,496	5,327	4,666	4,453	84.9	83.6
$20,001 to $50,000	10,598	10,589	10,196	10,139	96.2	95.7
Over $50,000	4,954	4,990	4,806	4,838	97.0	97.0
5 to 44 years	18,073	18,799	17,023	17,688	94.2	94.1
$20,000 or less	3,285	3,394	2,628	2,742	80.0	80.8
$20,001 to $50,000	8,362	8,458	8,044	8,066	96.2	95.4
Over $50,000	6,426	6,947	6,351	6,881	98.8	99.1
5 to 54 years	12,251	12,382	11,079	11,225	90.4	90.7
$20,000 or less	2,021	2,058	1,382	1,411	68.4	68.6
$20,001 to $50,000	4,824	4,757	4,466	4,363	92.6	91.7
Over $50,000	5,406	5,567	5,231	5,451	96.8	97.9
5 to 64 years	10,001	10,152	6,706	6,822	67.1	67.2
$20,000 or less	2,559	2,433	1,007	995	39.4	40.9
$20,001 to $50,000	4,151	4,241	2,866	2,925	69.0	69.0
Over $50,000	3,291	3,478	2,832	2,903	86.1	83.5
5 years and over	12,334	12,547	2,096	2,033	17.0	16.2
$20,000 or less	5,815	5,374	525	396	9.0	7.4
$20,001 to $50,000	4,731	5,233	917	931	19.4	17.8
Over $50,000	1,788	1,940	654	705	36.6	36.4

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Labor force participation in March 1990 and 1991, by sex, family status, age, and family income the previous year, unpublished estimates produced from March CPS supplement files-Continued

Women, Total

Age by family income in previous year	Civilian noninstitutional population		Civilian labor force		Participation rates	
	March 1990	March 1991	March 1990	March 1991	March 1990	March 1991
Total, 16 years and over	98,152	98,970	56,138	56,373	57.2	57.0
$20,000 or less	33,685	32,452	13,490	12,560	40.0	38.7
$20,001 to $50,000	39,276	39,842	24,884	24,929	63.4	62.6
Over $50,000	25,191	26,676	17,764	18,884	70.5	70.8
16 to 19 years	6,915	6,701	3,482	3,185	50.4	47.5
$20,000 or less	2,035	1,942	872	759	42.9	39.1
$20,001 to $50,000	2,634	2,464	1,424	1,254	54.1	50.9
Over $50,000	2,246	2,295	1,186	1,172	52.8	51.1
20 to 24 years	9,160	9,132	6,427	6,309	70.2	69.1
$20,000 or less	3,709	3,617	2,327	2,213	62.7	61.2
$20,001 to $50,000	3,321	3,266	2,511	2,428	75.6	74.3
Over $50,000	2,131	2,249	1,589	1,669	74.6	74.2
25 to 34 years	21,745	21,553	16,031	15,779	73.7	73.2
$20,000 or less	6,537	6,375	4,113	3,856	62.9	60.5
$20,001 to $50,000	10,273	10,072	7,907	7,698	77.0	76.4
Over $50,000	4,935	5,106	4,012	4,225	81.3	82.7
35 to 44 years	18,858	19,610	14,395	14,988	76.3	76.4
$20,000 or less	4,090	4,078	2,587	2,514	63.3	61.7
$20,001 to $50,000	8,257	8,421	6,532	6,669	79.1	79.2
Over $50,000	6,511	7,111	5,276	5,804	81.0	81.6
45 to 54 years	13,012	13,254	9,185	9,497	70.6	71.7
$20,000 or less	2,951	2,691	1,599	1,410	54.2	52.4
$20,001 to $50,000	5,075	5,395	3,653	3,949	72.0	73.2
Over $50,000	4,986	5,168	3,933	4,138	78.9	80.1
55 to 64 years	11,230	11,182	5,087	5,051	45.3	45.2
$20,000 or less	3,951	3,650	1,341	1,168	33.9	32.0
$20,001 to $50,000	4,653	4,690	2,248	2,284	48.3	48.7
Over $50,000	2,626	2,842	1,499	1,599	57.1	56.3
65 years and over	17,232	17,538	1,530	1,564	8.9	8.9
$20,000 or less	10,413	10,099	651	639	6.3	6.3
$20,001 to $50,000	5,063	5,534	610	647	12.0	11.7
Over $50,000	1,756	1,905	269	278	15.3	14.6

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REPRESENTATIVE ARMEY. Well, before I turn it over to Congressman Fish, let me just make the observation that it is a perfectly legitimate and an acceptable thing within a democratic nation of free people to try to look for the explanation of a phenomenon that you observe in the free decisions of those free people.

Now, if, in fact, their behavior seems somewhat aberrant, you might look for the source of the aberrance in the government and be quite successful in nailing it down.

But I dare say, you will not generally find the source of the aberrance in the people themselves, but only in the government, which is people imposing ideas on other people.

Did you have an observation?

MR. BREGGER. Just a quick one. I think it stands to reason, when we're talking about youth, that if the family income is decent in the family, then it's easier for them to make the choice to leave the labor force if jobs are not available.

This would not apply to more mature, prime-aged workers, probably.

REPRESENTATIVE ARMEY. There's an interesting thing, too. But, of course, we know that senior citizens suffer the highest tax rate of any American. If they dare to go to work beyond $9,900 a year, the government then, of course, takes away their social security benefits.

Anyway, if you could make those cross-tabulations, I think they may help us gain some insight.

MRS. NORWOOD. We certainly will try.

[Put insert here.]

REPRESENTATIVE ARMEY. I want to thank Congressman Fish for being so patient with me as I explored that.

REPRESENTATIVE FISH. It's been very interesting. I appreciate that.

I have two brief questions, Dr. Norwood.

We were together here a month ago for your previous testimony on an earlier month. Briefly, is there anything—if I had your statement from a month ago in front of me now to compare with this—is there anything that stands out as a major change versus the holding pattern analysis?

MRS. NORWOOD. I would say that, overall, it is fairly similar. We've had a few pluses and minuses. The industries are a little bit different.

I've been saying for some time that there has been no, or very little, employment growth. It's restricted to only a few areas. And I think that situation is still here.

There is concern about the fact that manufacturing industries had begun some improvement. That seems to have been wiped away.

But I would say that, overall, there has not been a great deal of change for some time because we have not been seeing much employment growth.

REPRESENTATIVE FISH. You testified a month ago that you had met with some—I forget what they were—retail trade attorneys or corporate people.

MRS. NORWOOD. Economists, probably.

REPRESENTATIVE FISH. And they were quite pessimistic about the retail season coming up. And you talked about layoffs and you covered that here.

You talked about layoffs that you expected in white-collar workers during the fall. Has that materialized?

MRS. NORWOOD. We have had a lot of newspaper reports about layoffs of white-collar workers. And we are seeing that sales occupations have been affected more in this recession than in previous ones.

REPRESENTATIVE FISH. Sales occupations?

MRS. NORWOOD. Yes. And there's been some effect in the managerial occupations, as well.

REPRESENTATIVE FISH. Can you talk briefly about the construction industry? I had a recollection that it had gone up a bit, that we had some good news during the course of the summer. And you're talking about a 30,000 job loss in one month, in October.

MRS. NORWOOD. Yes. I think that's probably consistent with the data that we have been getting on housing starts. We have an enormous surplus of office buildings. We don't seem to be seeing much multifamily construction.

So, the only part of the housing industry that is growing is single-family housing, and it seems to be down at the low end of the scale, even though mortgage interest rates are now quite low compared to recent months.

REPRESENTATIVE FISH. Finally, we're still wrestling with the issue of those unemployed for a considerable term, who have lost their benefits.

Are any of these figures relevant to that? Do we have more people who are still unemployed, who have lost their benefits, than we did a month ago?

MRS. NORWOOD. We can see in these data that we have not had much change in unemployment over several months.

And what that means is that those people who have been unemployed have now added a few more weeks of unemployment. You're not having growth in the number of people coming into the unemployment stream, but you're not seeing the people who are in the unemployment stream moving out very much.

REPRESENTATIVE FISH. Thank you very much.

REPRESENTATIVE ARMEY. May I just ask quickly—when you make that observation, you are allowing for a churning effect.

MRS. NORWOOD. Yes. Of course. They're not all the same people.

REPRESENTATIVE ARMEY. Thanks.

MRS. NORWOOD. The same numbers of people.

REPRESENTATIVE ARMEY. Yes.

SENATOR SARBANES. Commissioner, would you say that the various indicators on economic activity remain a cause for serious concern about where the economy is going?

MRS. NORWOOD. Yes. I think that the news seems to frequently indicate downward trends.

This morning's newspaper had an article about purchasing managers in manufacturing reporting that trends were downward.

The housing information of two days ago was really not very good. The Conference Board's Consumer Confidence Index has been down. The durable orders and many of the other orders are down.

Now, I should point out that many of those indicators are for the month of September, and we're talking about October. But the Conference Board's Consumer Confidence Index was October, and the purchasing managers' data were for October.

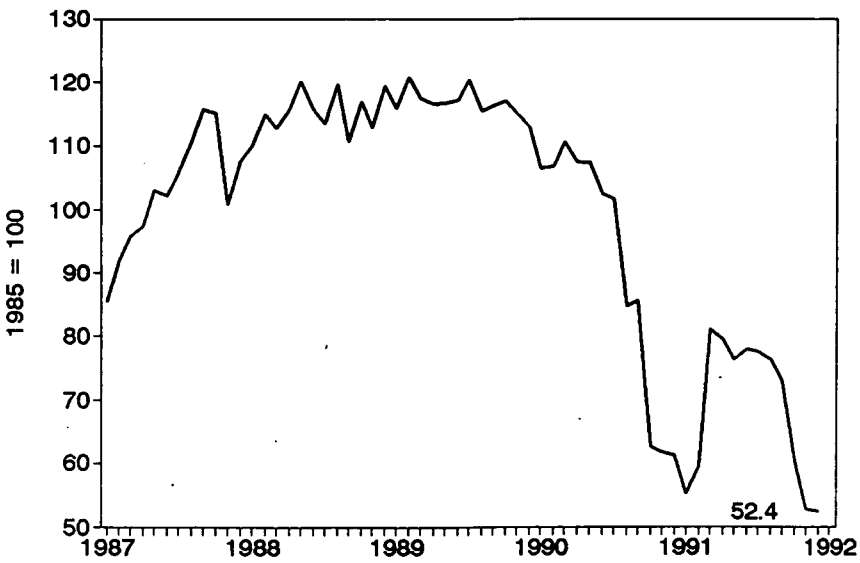
SENATOR SARBANES. There is a story in the morning paper that factory orders show a drop of 1.7 percent.

MRS. NORWOOD. That's right.

SENATOR SARBANES. Orders for manufacturing goods dropped 1.7 percent in September, their second straight monthly decline, the Commerce Department said today. And an economist at Langston and Company in New York said, "The recovery is in trouble."

The Consumer Confidence Measure Index from the Conference Board, which of course showed a precipitous decline in 1990 and into 1991, and then seemed to start back up a bit, has now plunged back down, as we can see in the chart. It is close to the low that it reached in the 1981-82 recession. (See chart below.)

CONSUMER CONFIDENCE INDEX
The Conference Board



I think this is a very disturbing index. I am going to yield to Congressman Solarz, who has not had a round yet, and then I will come back with some questions.

REPRESENTATIVE SOLARZ. Thank you very much, Mr. Chairman. You may know something I don't.

[Laughter.]

But let me say, I am happy where I am, and I am pleased to be on this Committee.

Mrs. Norwood, it's good to see you again.

MRS. NORWOOD. It's very nice to be here.

REPRESENTATIVE SOLARZ. As I understand it, the official definition of a recession is when we have two quarters in a row with negative growth. Is that more or less the operative definition?

MRS. NORWOOD. That's a sort of rule-of-thumb that most people use. In fact, an official definition goes much broader than that.

REPRESENTATIVE SOLARZ. Well, using that rule-of-thumb, when did the economy go into a recession, and when did it supposedly come out of it?

MRS. NORWOOD. The economy, according to the National Bureau of Economic Research, went into recession 15 months ago, in July 1990.

They have not yet determined a particular ending period. They usually wait a while until they look at all the indications.

REPRESENTATIVE SOLARZ. Is the rule-of-thumb that we come out of the recession when there's a quarter of positive growth, or do there have to be two quarters of positive growth?

MRS. NORWOOD. I think it depends on all the other sets of data that are around. And I wouldn't hazard a guess about that.

REPRESENTATIVE SOLARZ. Well, since the second quarter of negative growth, how many quarters have there been?

MRS. NORWOOD. One.

REPRESENTATIVE SOLARZ. Pardon?

MRS. NORWOOD. One, I believe. Yes, one. Third quarter.

REPRESENTATIVE SOLARZ. Two?

MRS. NORWOOD. Two.

REPRESENTATIVE ARMEY. We've had three negatives and now we've had a positive.

MRS. NORWOOD. Well, I don't have the GNP numbers with me.

REPRESENTATIVE SOLARZ. Right.

SENATOR SARBANES. We had three quarters of negative GNP growth.

MRS. NORWOOD. That's right.

SENATOR SARBANES. The last quarter of 1990, down 1.8 percent. The first quarter of 1991 was down 2.6 percent, I believe. The second quarter of 1991, which was originally reported as showing a slight rise of about a half a percent, in fact, on the revised figures, was shown to have declined.

MRS. NORWOOD. That's correct.

SENATOR SARBANES. By about a half a point. So, we have had three straight quarters of negative growth. We then have a figure, the first figure, not a revised figure, of a 2.4 percent positive growth in the third quarter of 1991. That is the smallest growth coming out of a recession that we've had in any postwar recession.

Would you consider the economy still to be in a recession at the present time?

MRS. NORWOOD. I'm very pleased that I don't have to determine that. [Laughter.]

I can tell you that I think that there are serious problems in the labor market.

REPRESENTATIVE SOLARZ. After the three-quarters of negative growth, there was a quarter of positive growth, albeit, as the Chairman points out, it was the lowest coming out of any recession for sometime. But nevertheless, when that quarter of positive growth was registered, many of us hoped that this was an indication that we were beginning to come out of the economic doldrums and that, perhaps, the economy would pick up.

But now it appears as if that has not happened. I wonder if you have any reflections on it and any thoughts that you could share with us about why it does not seem to have happened.

Was that quarter of positive growth, however anemic it was, a bit of a fluke, or did something happen subsequent to the time that progress was registered that took away the momentum it implied and sent the economy back into a little bit of a tailspin?

MRS. NORWOOD. Mr. Solarz, I really don't know how to answer that question. But let me say that for months we have been coming to this Committee and reporting that there was either no or very, very little growth in jobs.

I think that's an important issue, regardless of all the other things that people look at.

We look at them, too. But the important thing is that there has been very little change in the labor market over this period of perhaps 5 or 6 months.

REPRESENTATIVE SOLARZ. Right. And to what do you attribute that, the lack of growth in jobs?

MRS. NORWOOD. There's a lack of confidence, clearly. Consumers aren't buying and so retail trade is not hiring.

It's quite clear that the Chairman of the Federal Reserve talked about the problems of the banking system, and, on the one hand, there may not be as much lending as would normally be the case. On the other hand, there isn't as much borrowing as would normally be the case.

There are a whole lot of reasons.

REPRESENTATIVE SOLARZ. Has the ratio of long-term to short-term unemployed changed much over the course of the last year?

MRS. NORWOOD. Long-term to short-term? I suppose that it has, really, because the long-term unemployed always continues upward. And we have not had as much job loss.

REPRESENTATIVE SOLARZ. Is the unemployment more or less distributed equally around the country, or is it regionally concentrated?

MRS. NORWOOD. Quite definitely there are different areas of the country that are much harder hit than others. The New England area is hard hit. The West coast. The California area. The Pacific Northwest is hard hit. Some of Appalachia is quite hard hit. And there are some of the farm areas in the middle of the country and in the Midwest that have not had quite so much difficulty in the labor market.

SENATOR SARBANES. Let me just interject there. In some ways, the statistics seem to be lagging behind what we are hearing from the grassroots.

The *Times* has a story this morning on the front page of their business section, and I was listening as you were talking about the sections of the country, that says, "Optimism is Blighted in the Midwest." Across the American Midwest, the traditional home of industry and a can-do optimism, a mood of hesitancy, mistrust and disorientation seems to have taken hold.

And later on, they say, it is not merely that nobody believes Vice President Dan Quayle's statement that the country is out of the recession, or that many see a double-dip downturn coming. They then go on to say that they do not see the Bush Administration as having the means to revive the economy. What depresses many people in the Midwest is a sense that things cannot get better in the foreseeable future.

It is reflected in the Conference Board's Consumer Confidence Survey.

MRS. NORWOOD. I would expect that those attitudes would permeate across the country. All that I was referring to is what's showing up in the labor-market data.

SENATOR SARBANES. Are you saying that insofar as we have a serious problem with unemployment, which we do, that this is primarily a regional problem rather than a national one.

MRS. NORWOOD. No, I wasn't saying that. What I was saying is that unemployment has hit harder in some places than in others.

REPRESENTATIVE SOLARZ. OK. But it has hit hard everywhere, or just about everywhere.

MRS. NORWOOD. It depends on how you measure this, but if you look at the unemployment rates by individual states, for example, you find that a number of states as of August, which happens to be the map that I have here, had rates of 5 percent or less.

That doesn't mean there aren't people with unemployment. It also doesn't mean that there aren't pockets of high unemployment there.

REPRESENTATIVE SOLARZ. Well, give us the state with the lowest unemployment rate and the state with the highest unemployment rate, if you can.

MRS. NORWOOD. I'm sure that we can, but it will take a moment.

MR. BREGGER. As of August, Hawaii, with an unemployment rate of 2.5 percent and Nebraska, with an unemployment rate of 2.6 percent, had the lowest unemployment rates.

At the other extreme, there were six states with unemploment rates of 8 percent or more.

REPRESENTATIVE SOLARZ. What are they?

MR. BREGGER. The highest was West Virginia, at 10.5 percent. Massachusetts was 8.8 percent. And Michigan and Mississippi were both at 8.7 percent.

REPRESENTATIVE SOLARZ. OK. Take Massachusetts, Mississippi and Michigan. What's gone wrong there that hasn't gone wrong in Nebraska. Nebraska seems to be doing, if I heard you correctly, quite well. They have 2.8 percent in Nebraska. Hawaii, perhaps, is sui generis, although with the weather they have out there, you'd think more people would be at the beach all day long.

But, in any case, how would you account for the differences between Nebraska and those other three states?

MRS. NORWOOD. The differences are mainly because of the industrial structure of the particular areas.

In the whole Great Lakes region, we have a lot of heavy industry. We have the automobile industry, which clearly is not doing well. When the automobile industry doesn't do well, then the industries that feed products into it don't do well.

New England had a remarkable period of prosperity as they developed a good bit of high-tech industry, given the quality of the work force in terms of educational quality that was there, and the high-tech industries are not doing at all well now.

You come down further into the Appalachian region and find a good bit of textiles and some of the industries that have been declining for many years.

You go up to the Pacific Northwest and you have lumber and wood, which is affected by the construction industry. And then you go to California and you have a big aerospace sector, and all over you have defense cutbacks.

REPRESENTATIVE SOLARZ. Two other questions. Has there been a commensurate increase in the number of people on public assistance over the course, say, of the last year and a half, which parallels the increase in unemployment, or are those two figures not connected?

MRS. NORWOOD. I don't know. I don't have the public assistance figures here.

REPRESENTATIVE SOLARZ. OK. I had heard a brief mention when Mr. Fish was here, but I didn't hear the entire answer of white-collar unemployment.

Could you give us some sense of the extent to which white-collar people constitute what percent of the 6.8 percent who are now unem-

ployed? And is that, in historic terms, about average—higher or lower than what it has been?

MRS. NORWOOD. I can't give you exact percentages here. We certainly can provide those things for the record, if you would like.

We can tell you that this recession hit blue-collar workers probably first and it hit them hard. But it has also hit some of the white-collar workers much more than in the past. And largely in areas like the retail and wholesale trade industry, places where there are a lot of sales workers, and some of the technical workers in some of the other industries.

REPRESENTATIVE SOLARZ. Well, if you could get us for the record, I'd certainly be interested in seeing it, if it's possible, the share of the unemployed who are white collar and how that compares historically to previous figures.

If the Chairman would just indulge me one last question.

Assuming that, just for the purposes of discussion, we're still in a recession, going back to the time when, by that rule-of-thumb, the recession first began, which I think was about, you said, 15 months ago, in historic terms, how does this recession compare in duration to previous ones?

MRS. NORWOOD. In duration, it's close.

REPRESENTATIVE SOLARZ. Close to what?

MRS. NORWOOD. To the average. I recognize that business cycle analysts make a career of this, and I'm not a business cycle analyst, I tell you first of all. But there are big differences between the different cycles. Some of them are much longer and some of them are less.

If you look at the average, the average is perhaps 11 months, and if you take your definition, this is longer than that.

REPRESENTATIVE SOLARZ. It's 15 months. Is that correct?

MRS. NORWOOD. It's 15 months since the beginning of the recession.

REPRESENTATIVE SOLARZ. Right. And what recessions were longer than this one?

MRS. NORWOOD. Well, there was the 1975 recession——

SENATOR SARBANES. Sixteen months.

MRS. NORWOOD. ——16 months, 1973 to 1975. And then there were a few at 11 months. And 1981 to 1982, of course, was a very severe recession.

SENATOR SARBANES. That was 16 months, too, was it not?

MRS. NORWOOD. Yes.

SENATOR SARBANES. The President's called this a short and shallow recession. That is what he has said all along. In fact, it is neither short nor shallow.

REPRESENTATIVE SOLARZ. Well, in fact, if the Chairman will indulge me, let's just assume for the purposes—we all hope that, obviously, the recession will end tomorrow. We wish it ended yesterday, but supposing the recession continues for another couple of months, at least. If it reaches

17 months, tell me when the last recession would have been longer than that, if we have another 2 months of this recession.

MRS. NORWOOD. Well, we go back to 1945. And we don't have anything longer than 16 months.

REPRESENTATIVE SOLARZ. So, in other words, if this recession lasts for another 2 months, it will be the longest recession since the end of the Second World War?

MRS. NORWOOD. Given your definitions, yes.

REPRESENTATIVE SOLARZ. Well, are my definitions different from your definitions?

MRS. NORWOOD. No. If one assumes that a recession began in July and has continued and went beyond 16 months to 17 months, it certainly would be the longest in the postwar period.

REPRESENTATIVE SOLARZ. And before that, you have no records.

MRS. NORWOOD. There are records. I don't have them with me.

REPRESENTATIVE SOLARZ. Tell me, what is the rule-of-thumb definition of a depression, as distinguished from a recession? When does a recession become a depression?

MRS. NORWOOD. I don't know. Clearly, it is when it is extremely steep. In the 1930s, we really weren't able to measure very well. We do know that the 1981-82 recession was sharper and steeper than any that we have had since the 1930s.

SENATOR SARBANES. The anecdotal definition is that when your neighbor loses his job, it is a recession. When you lose your job, it is a depression.

[Laughter.]

REPRESENTATIVE SOLARZ. Right.

And that raises another very important question. Right now, the unemployment rate is 6.8 percent. But could you tell us, if you have it, since the beginning of this recession 15 months ago, what percentage of the work force has been out of work for any period of time, because that obviously is higher than 6.8 percent?

MRS. NORWOOD. Well, we had an unemployment rate of 7 percent.

REPRESENTATIVE SOLARZ. No, no. I mean if you cumulatively add up all of the people——

MRS. NORWOOD. We haven't done that. I can't tell you that. There's always a turning——

SENATOR SARBANES. You have given us a figure that one out of every 10 families has experienced unemployment at some point or other in the course of the past year.

Isn't that correct?

MRS. NORWOOD. That's correct.

SENATOR SARBANES. That does not mean that one out of ten families had unemployment all at the same time.

REPRESENTATIVE SOLARZ. And by family, you're talking about the nuclear family, not the extended family.

Right?

MRS. NORWOOD. That's correct.

REPRESENTATIVE SOLARZ. So, that means that 10 percent, in effect, of all the households in America have had someone in that household unemployed within the last year.

MRS. NORWOOD. Not quite households, but 10 percent of the families, yes.

REPRESENTATIVE SOLARZ. Right. And presumably, if you go back to the beginning of the recession, it would be higher.

So, in conclusion, it then would be fair to say that if this recession lasts for another 2 months that it will be the longest recession this country has experienced since the Great Depression and since the end of the Second World War.

And do you see any indications that this recession is coming to an end?

MRS. NORWOOD. I only look at the labor market. And as I've told you, I see great difficulties in the labor market.

REPRESENTATIVE SOLARZ. Could you elaborate on the concept of great difficulties?

MRS. NORWOOD. Well, I don't see any real job growth, and we haven't had any for many months. We have had a few ups and downs, but there isn't any real significant growth.

We've been saying that for many months now.

REPRESENTATIVE SOLARZ. And if there were to be job growth, where, in your view, would it be most likely to come from?

MRS. NORWOOD. I don't know. I should be careful to say, of course, that there has been an increase in jobs in health services and in some of the other services. But I'm talking about overall.

REPRESENTATIVE SOLARZ. Maybe I'm missing something here, Dr. Norwood, but isn't the lack of job growth another way of saying that we're in a recession?

Have there been recessions in the past during which there has been job growth, which then led you to conclude that we'll soon get out of the recession?

MRS. NORWOOD. Well, I think you prefer your terms and I prefer mine.

REPRESENTATIVE SOLARZ. No, I'm just trying to get a better understanding.

MRS. NORWOOD. Let me just say that the definition of a recession technically requires an examination of a great deal of data. There are rules about the depth of the drops. There are rules about the dispersion and the duration.

Those are the three Ds—depth, dispersion, duration—that the National Bureau of Economic Research Committee looks at. And I haven't looked at all of those data.

REPRESENTATIVE SOLARZ. Well, tell me ... duration we just discussed. And we're clearly on route to a national record.

Let's talk for a minute about depth and dispersion. What do you mean by depth?

MRS. NORWOOD. How far down we have gone.

REPRESENTATIVE SOLARZ. And what do you mean by down? In terms of unemployment? In terms of growth?

MRS. NORWOOD. Well, I would look at it in percentages of job loss.

REPRESENTATIVE SOLARZ. Pardon?

MRS. NORWOOD. Percentages of employment loss.

REPRESENTATIVE SOLARZ. That would be your operative definition of depth.

MRS. NORWOOD. Well, for the labor market, it certainly would. But you know, the point I've been trying to make is that you have to look at the banking situation. You have to look at a whole host of other issues, all of which go into the GNP, besides the data that we are responsible for.

REPRESENTATIVE SOLARZ. But I'm just dealing for a moment with your three Ds—depth, dispersion and duration.

For depth, you're looking primarily at job loss.

MRS. NORWOOD. Because I'm looking at the labor market alone, yes.

REPRESENTATIVE SOLARZ. And dispersion, you mean how that's distributed around the country. And duration obviously is the amount of time.

MRS. NORWOOD. But what we're really doing is taking a set of things to be examined that go far beyond sets of data that I am here with.

SENATOR SARBANES. Let us just take the data that you are here with.

MRS. NORWOOD. All right.

SENATOR SARBANES. Let me just quote from Leonard Silk in this morning's *New York Times*, saying, "Bleak Jobs Picture Darkens the Mood."

And he says, "At face value, the first estimate of gross national product in the third quarter implies that the recession is over."

Then he goes on to say why that is not the case. But then he goes on and says:

> To ordinary people, the prime measure of a recession is unemployment, not gross national product. And the unemployment rate, despite the third quarter recovery and real GNP, stayed like an inadjustable lump in the belly of the economy. The civilian jobless rate averaged 6.8 percent in the third quarter, the same as in the second.

MRS. NORWOOD. That's right.

SENATOR SARBANES. And he says that the jobless rate was down a hair to 6.7 percent in September. Unemployment data for October will be announced this morning, but economists interviewed earlier saw no reason for significant change. Actually, the unemployment rate this morning has gone up to 6.8 percent.

What was the unemployment rate a year ago?

MRS. NORWOOD. 5.7 percent.

SENATOR SARBANES. Is it fair to say that it would be much harder to find a job in a job market where the unemployment rate was 6.8 percent than a job in a job market in which the unemployment rate was 5.7 percent.

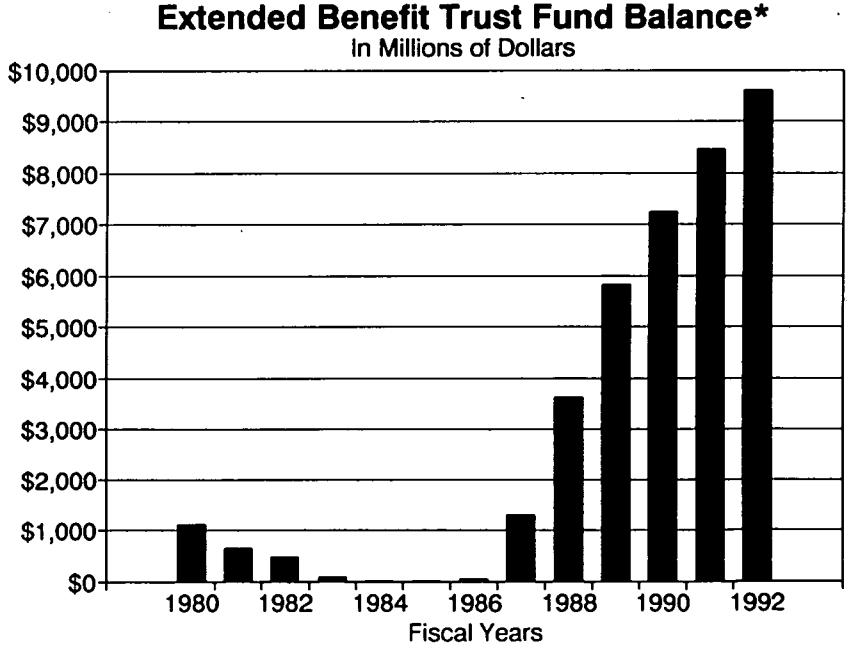
MRS. NORWOOD. Yes.

SENATOR SARBANES. We pay unemployment insurance benefits in order to carry people through a recessionary period. We have a basic program of 26 weeks, and then in every previous recession, we have extended the program because the recession has lasted for a longer period of time.

Someone who lost their job a year ago, when the unemployment rate was 5.7 percent, by now will have used up their 26 weeks of benefits. They will have exhausted them, will be out of benefits, and they are looking for a job in a job market where the unemployment rate is 6.8 percent.

So, it is tougher now for them to find a job than at the time when they lost their job. And we cannot get this Administration to extend these unemployment benefits, even though the trust fund has a huge surplus in it.

This chart shows the surplus in the extended benefit trust. It is going to approach $10 billion by the end of next year. It is just accumulating money. In previous recessions, they have paid out these benefits, as shown by this chart. And they are not doing it this time. (See chart below.)



* Excludes transfers to loan account.

In fact, is there any state in the union now where workers can get extended benefits? I think they have all stopped.

MRS. NORWOOD. One, I think.

SENATOR SARBANES. I think even Rhode Island has stopped, have they not? Or maybe Puerto Rico is the one jurisdiction?

In any event, these benefits are not being paid, and there is money in the trust fund.

REPRESENTATIVE SOLARZ. Mr. Chairman, if you would just yield on that point, because you've focused, I think, quite appropriately, attention on those who are unemployed, who are struggling to get back into the job market.

But are there any figures or surveys or data of which you're aware, Dr. Norwood, which would measure the extent to which those who are employed are anxious or fearful about losing their jobs?

Does anyone conduct a survey like that, because I would imagine that there must be a lot of people out there looking at this economy and wondering if the axe is going to fall on them next?

MRS. NORWOOD. I'm sure that there are a number of private-sector surveys that get into attitudes. We in the government generally try not to measure attitudes because they are so hard to define.

REPRESENTATIVE SOLARZ. Could you possibly see if you could come up with any of those for the record, if someone in your shop can do it?

MRS. NORWOOD. I doubt that there are.

REPRESENTATIVE SOLARZ. Mr. Chairman, I think we've discovered something very important in the course of this hearing; at least, I did. It may have been known to others, which I consider to be quite significant, that we are on the verge of entering the longest recession we've had in this country since the Great Depression in over 50 years.

I think that puts it in a perspective that underscores the seriousness and urgency of the problem that we face.

It happens at a moment when you and I know, and I think all of us know, the Administration seems to be bereft of any real ideas of how to turn this situation around.

SENATOR SARBANES. Just yesterday, the President, after meeting in the Cabinet Room, apparently on the economy, spoke to a group of—I'm quoting the paper now—small business executives who had been invited to the White House.

During a photo session—we seem to have a lot of those in this town nowadays—during a photo session, the President said that the economy had turned the corner and was headed for a recovery.

REPRESENTATIVE SOLARZ. You know what it reminds me of, Mr. Chairman? I was down in Nicaragua a week before the election last year. And wherever you went, you saw huge billboards with giant-sized photographs of beaming Daniel Ortega, and the slogan—I'm translating it in English—was, "Vote Daniel. Everything Will Be Better."

That was exactly when I knew that Mrs. Chumoro was going to win, because I thought to myself, what would have happened in 1932 if Herbert Hoover had run for re-election with big billboards that showed a picture of a smiling Hoover saying, "Vote for Herbert. Everything Will Be Better."

I'd like to make a suggestion, Mr. Chairman, because I think, given the extent to which we're about to move into the longest recession since the Great Depression, since the end of the World War, and given the extent to which the Administration seems bereft of any real ideas about how to deal with it, I think there is a strong case to be made for the Joint Economic Committee convening a series of major hearings where we can get some of the top economists in the country and others representing labor and business to try to elicit some suggestions about how this can be dealt with.

I have no problem berating the Administration for its lack of initiative. But I think we have an opportunity to go beyond that.

I think, if ever there was a justification for this Committee, it is precisely in this kind of situation where, unlike some of the other Committees that are limited to a particular piece of the problem, we have the opportunity, the luxury, as it were, of taking an overview.

SENATOR SARBANES. We have been doing that. The Vice Chairman, Congressman Hamilton, and I have discussed this, and he has been holding a series of sessions with leading economists. They just had Robert Solow, a Nobel prize-winning economist a week ago; he had Paul Samuelson a few weeks before that, and he has had a number of others. We are going to continue.

We may put them all together as a panel, but they have come in with some very interesting ideas on how to address this situation.

There is one response that the Commissioner did not give you, which I would like to pursue, because I thought you asked a very penetrating question.

There are now 8 million, almost 9 million people whom you would categorize as unemployed.

MRS. NORWOOD. There are 8 million.

SENATOR SARBANES. Now, Congressman Solarz asked about the loss, the worry on the parts of people who had jobs.

REPRESENTATIVE SOLARZ. Have them.

SENATOR SARBANES. Have them now.

REPRESENTATIVE SOLARZ. Yes.

SENATOR SARBANES. Have jobs at the moment. The Commissioner indicated that they do not have a measure of the number of people who are worried about losing their jobs.

MRS. NORWOOD. That's right.

SENATOR SARBANES. But they do have a measure, and I would like to get it reported, of the number of people that are working part-time who want to work full time.

In other words, this unemployment figure of 8 million is people who have no jobs at all.

MRS. NORWOOD. That's correct.

SENATOR SARBANES. Some people want to work part-time, that is what they want and that is what they have.

But there are a lot of other people who want to work full time, but the economic conditions are such that they can only get part-time work. They are taking whatever they can find.

Commissioner, you have a count on that, don't you?

MRS. NORWOOD. Yes, 6.3 million.

SENATOR SARBANES. Is it 8 million unemployed, or is it slightly over?

MRS. NORWOOD. Yes, it's 8 million.

SENATOR SARBANES. So, in addition to the 8 million, there is another 6.3 million who are partially unemployed.

Is that correct?

MRS. NORWOOD. Yes.

REPRESENTATIVE SOLARZ. And if you added the two together to come up with a percent of who are either unemployed or unable to find full-time work, what would the percent be?

MRS. NORWOOD. Excuse me. First, may I just correct something.

The figure that I was giving you was not seasonally adjusted. If we seasonally adjust, it's 8.6 million. So, you are quite right.

SENATOR SARBANES. I thought it was. Eight point what?

MR. BREGGER. 8.6 million.

SENATOR SARBANES. So, there are 8.6 million unemployed, totally unemployed. There is another 6.3 million partially unemployed, in the sense that they are working part-time, but they want full-time work.

MRS. NORWOOD. Correct.

SENATOR SARBANES. So, that is 15 million people.

REPRESENTATIVE SOLARZ. And if you add those two figures together, and we wanted a percentage of the work force that is either unemployed or unable to find full-time work, what percent would it be?

MRS. NORWOOD. Well, if we included in that those people who say that they're not looking for work because they're too discouraged, that's because they think no jobs are available——

SENATOR SARBANES. We ought to include them. How many of them are there?

REPRESENTATIVE SOLARZ. These are people who would like jobs, but they despair of their ability to get them.

Is that correct?

MRS. NORWOOD. That's right.

SENATOR SARBANES. How many of them are there?

MR. BREGGER. 1.1 million.

MRS. NORWOOD. About 1.1 million. If we add those groups, and we take half of those who are working part-time for economic reasons, we

get up to a 10 percent unemployment rate, 10.1 for the third quarter of the year.

REPRESENTATIVE SOLARZ. Unemployment or underemployment?

MRS. NORWOOD. If you include all these groups.

SENATOR SARBANES. They are only counting the part-time people at one half.

MRS. NORWOOD. Yes, that's right.

REPRESENTATIVE SOLARZ. Why do you take a half rather than a third or two-thirds?

MRS. NORWOOD. Well, one could do it in many different ways. But there were reasons because they are working at least some of the time.

REPRESENTATIVE SOLARZ. But don't you——

MR. BREGGER. We chose half because their average hours are roughly half of full time. In other words, their average hours are in the neighborhood of 20 to 22 hours.

REPRESENTATIVE SOLARZ. No, but I thought you asked people whether they would like to work full time.

MRS. NORWOOD. Yes.

REPRESENTATIVE SOLARZ. So, then you find out, of the people who are working part-time, what percent say they would like to work full time.

MRS. NORWOOD. That's right. But they are working only part of the time.

REPRESENTATIVE SOLARZ. We understand that.

MRS. NORWOOD. Generally, half of the hours of a full-time worker. So, it's not quite correct to say that they're not working at all.

REPRESENTATIVE SOLARZ. That we understand. But the question——

MRS. NORWOOD. That's why we take half.

REPRESENTATIVE SOLARZ. But are you saying that, of those who are working part-time, 50 percent of those people say they would like to work full time?

MRS. NORWOOD. No.

REPRESENTATIVE SOLARZ. Well, what percent of those who are working part-time would like to work full time? Do you know?

MRS. NORWOOD. The 6.3 million.

REPRESENTATIVE SOLARZ. Are working part time.

SENATOR SARBANES. No.

MRS. NORWOOD. Are working part-time, but tell us that they want to work full time.

REPRESENTATIVE SOLARZ. So, in other words, there are 12.6 percent who are working part-time, of which 6.3 million would like to work full time.

SENATOR SARBANES. No. I do not know that they know how many.

Do you know how many are working part-time?

MR. BREGGER. Over 21 million persons are working part-time all together.

SENATOR SARBANES. OK.

MRS. NORWOOD. Fifteen million are working part-time because that's exactly what they want to do.

SENATOR SARBANES. OK.

MRS. NORWOOD. 6.3 million are working part-time, but really want to work full time.

SENATOR SARBANES. Then, when you figure an unemployment rate, a comprehensive rate to include in these people who are working part-time, but want to work full time, you count them at one-half because they are working about 20 hours a week on the average.

MRS. NORWOOD. That's right.

SENATOR SARBANES. So, you figure it is fair to count them at one-half for the unemployment figure.

MRS. NORWOOD. That's right.

SENATOR SARBANES. So, if you take the unemployed, 8.7 million, the people working part-time who want a full-time job and probably need it in order to supply their families, 6.3 million, factor that in at one-half, and the 1.1 million that have dropped out of the labor force, you come to an unemployment figure of 10 percent.

MRS. NORWOOD. 10.1 percent.

SENATOR SARBANES. 10.1 percent?

MRS. NORWOOD. 10.1 percent in the third quarter. That's the U-7 that's published in Table A-7 of the release.

That's a quarterly figure.

SENATOR SARBANES. That is interesting because that does not correspond to the figure we had that one out of every ten families have experienced complete unemployment. Is that correct?

MRS. NORWOOD. Yes, and that only referred to families, and everybody doesn't live in a family. Many people do not. Many people live alone. We've had an increase in the number of those.

SENATOR SARBANES. I have to say—the President says we have turned the corner and are headed for recovery—I find these to be very grim figures.

Let me ask you this question, because we have been looking at this GNP figure, and it seems to have gone up primarily because of July into August activity, rather than August-Septemer activity.

What do the labor markets show in that regard? I know the number of unemployment claims dropped to 405,000. But the previous week, unemployment claims were at 452,000, which I think was the highest claims filed for unemployment insurance since sometime last spring.

Is that correct? Do you know, Mr. Bregger?

MR. BREGGER. The initial claims for the week ending October 12th was 452,000. And that was the highest since early 1991, when it was up to about 500,000.

SENATOR SARBANES. When was that?

MR. BREGGER. Well, it was 510,000 in the week ending March 16, 1991.

SENATOR SARBANES. The next claim was down a bit, wasn't it, 405,000, after the 452,000?

MR. BREGGER. That's correct.

SENATOR SARBANES. But the moving average has gone back up significantly since August, has it not?

MR. BREGGER. That would seem to be the case. I don't have the moving average figures here, but just looking at the weekly series, you can see that it's edged back up again, yes.

SENATOR SARBANES. I understand that we were drawing you into areas that are not your areas of statistical competence. But you said that what you could say is that there are serious problems in the labor markets.

Now, how would you describe those problems?

MRS. NORWOOD. There is overall no evidence of job growth, though the employment data have been a little up and down.

Some industries seem to be losing jobs. Manufacturing is again dropping jobs. The construction industry has lost jobs, about 10 percent of its employment.

And in the service-producing sector, there are industries with some difficulties, and retail trade, which is a very large industry, is in considerable difficulty and has been either flat or down for some time now.

We do continue to have some growth in a few of the services industries, but not enough to offset the declines that we seem to be seeing.

SENATOR SARBANES. We put in the unemployment insurance system in order to help carry people through the system, through these periods.

MRS. NORWOOD. Yes.

SENATOR SARBANES. Do you measure the number of people that are being helped by that system and how that compares with previous recessions.

MRS. NORWOOD. Yes, we do. We know that if we look at the job losers, who are the people who would be expected to qualify for benefits, that there are a little less than two-thirds who qualify.

Then, there are, of course, new entrants or re-entrants to the labor force, or other workers who have used up their eligibility who are not covered.

But of the job losers——

SENATOR SARBANES. If you take them into account, how many are drawing unemployment insurance?

MRS. NORWOOD. Well, there are 2.6 million as of the week of the 12th of October.

SENATOR SARBANES. It is my understanding that in percentage terms that a much lower percentage of people are covered in this recession than in previous recessions.

Is that correct?

MRS. NORWOOD. Yes. Among all job losers in the 1980s, we were at 83 percent coverage, and now we're at 64 percent.

SENATOR SARBANES. So, that is a very significant drop.

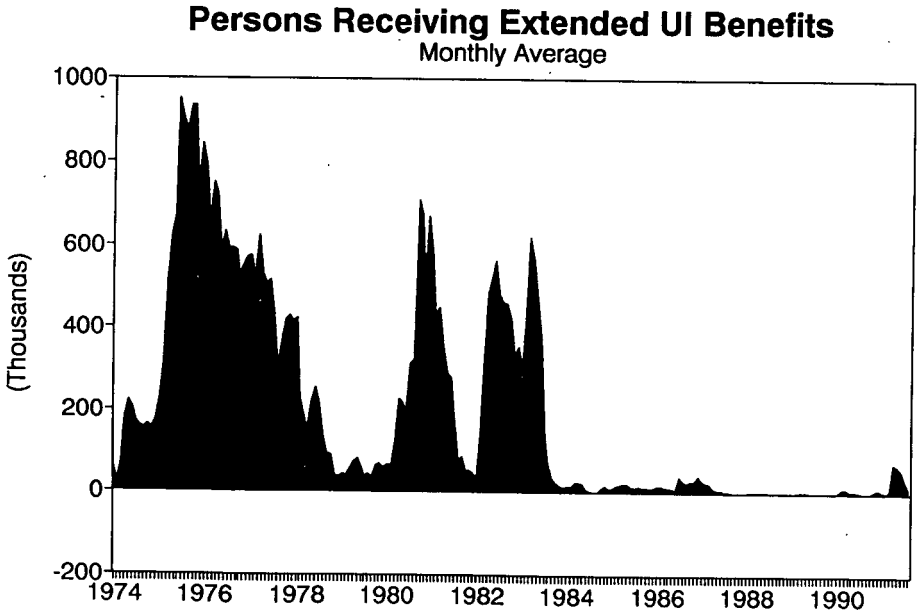
This chart explains a good deal of that, doesn't it? This chart shows that in previous recessions that the number of people receiving unextended benefits increased significantly. (See chart below.)

MRS. NORWOOD. Yes.

SENATOR SARBANES. This is the monthly average of persons receiving extended unemployment insurance benefits under President Ford, President Carter and President Reagan.

What happened is, it went up significantly during the recession. I do not know whether you can see it from there, but this small line is under President Bush. The number of people receiving extended benefits has declined even though, as Congressman Solarz established in his questions this morning, this recession now is approaching the record. There are only two other recessions that were longer and that was only by a month or two.

So, if it continues, it will become the longest recession. Even though we have had this long recession, we are not extending the benefits. So, people are held to the basic 26 weeks.



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

It does not serve the purpose because they have lost their job. The unemployment rate when they lost their job a year ago was 5.7 percent. This morning, it is 6.8 percent.

So, if you lost your job at the end of last year, you will have used up your 26 weeks of benefits and you are now trying to find a job in a labor market that is much tougher to find a job than it was a year ago. Is that correct?

MRS. NORWOOD. Yes.

SENATOR SARBANES. I think it only underscores why we have been pushing for extended benefits—I know that is not directly your jurisdiction—particularly when the trust fund has built up this very large balance.

These are taxes paid in specifically for the purpose of paying extended benefits. That is why the employers paid them. This money was meant to be used when we went into a recession in order to help people over this difficult period, and that is not happening right now.

I know you seasonally adjust your figures.

MRS. NORWOOD. Yes.

SENATOR SARBANES. That is to take out of the figures the variations that come because of the seasons and the weather and the level of economic activity.

Is that correct?

MRS. NORWOOD. Correct.

SENATOR SARBANES. I take it, since the level of economic activity declines somewhat in the winter, you lose a lot of that summer and fall seasonal employment, and you adjust your figures to show that.

The point I am trying to get at, therefore, is that the adjusted figures which take into account that decline might not fully reflect the amount of pain that is being felt in the economy.

Is there anything to that point? Do you see the point I am trying to make?

MRS. NORWOOD. Yes, I see the point quite well, and it can go in either direction. You're quite right that at times you expect a decline.

SENATOR SARBANES. In the summer, the figures could overstate the amount of pain because you adjust them, and, yet, there is a lot of that seasonal summer work that is available in the country. But in the wintertime, would it not understate the amount of pain?

MRS. NORWOOD. It could well do so. But, for example, this month, the normal, usual approach for retail trade is to staff up, begin to staff up, so that by Christmas they would have people who are trained and able to take care of the increased sales.

They didn't do as much of that this month. And so, we had a larger seasonally adjusted loss. We had a loss before seasonal adjustment. We had a little larger one after seasonal adjustment.

So, it can go both ways. October is a month—you're quite right—that has a rather low seasonal. January, in particular, is a month, with the labor force data, when we get quite a high seasonal.

SENATOR SARBANES. I just want to come back to the other release you put out this week on the earnings.

MRS. NORWOOD. Yes.

SENATOR SARBANES. I want to be very clear that I understand what has happened, because we had some back and forth on this. Now, this is year-to-year, from the third quarter of 1990 to the third quarter of 1991, over that one-year period.

MRS. NORWOOD. Yes.

SENATOR SARBANES. These are wage and salary people. This is, in a sense, our middle class.

MRS. NORWOOD. That's right.

SENATOR SARBANES. The dollar incomes of those people increased 1.8 percent. They earned 1.8 percent more dollars.

Is that correct?

MRS. NORWOOD. Yes.

SENATOR SARBANES. But the inflation rate over that same period increased by 3.9 percent.

MRS. NORWOOD. That's right. Inflation rose by 3.9 percent.

SENATOR SARBANES. Inflation rose by 3.9 percent. So, what that means is that people's standard of living dropped.

MRS. NORWOOD. Yes.

SENATOR SARBANES. That although their money income increased, it did not increase by as much as the inflation increased.

MRS. NORWOOD. That's right.

SENATOR SARBANES. As a consequence, they were in a worse-off position at the end of that year compared with where they were at the beginning of that year.

Is that correct?

MRS. NORWOOD. That's correct.

SENATOR SARBANES. Now, is it true that for the decade of the 1980s, beginning back in 1980, that there has been no increase in real per capita income in this country?

MRS. NORWOOD. There certainly has not been an increase in wages, at least, in earnings. I don't have the per capita figures. I have heard that. I haven't seen the data.

SENATOR SARBANES. In other words, on earnings, let us just take that. We have this measure. You have just given us a 1-year measure that we have been discussing this morning.

But if you look at a 10-year measure—the last 10 years—would the same thing be true, while the money income had gone up, it had gone up by less than prices had gone up, and, therefore, people's real standard of living was less at the end of the 10-year period than at the beginning.

MRS. NORWOOD. I believe that it is true of our average hourly earnings series. It is also true of wages and salaries. It is true for some years of wages and salaries in our employment cost index, perhaps going back

about 5 years or so. And the increases before that were very, very minimal. I don't have the 10 years of data. I can submit it for the record.

SENATOR SARBANES. Now, when you say wages and salaries, that excludes——

MRS. NORWOOD. The employer cost of fringe benefits.

SENATOR SARBANES. Does it exclude people that earn so-called unearned income, dividends and interest, and return on capital?

MRS. NORWOOD. Yes.

SENATOR SARBANES. Most of them are the very wealthy. So, the survey would not apply to them. These apply only to wage and salary earners.

Is that correct?

MRS. NORWOOD. Correct. The employment cost index is collected from business establishments.

SENATOR SARBANES. The figures I have seen on income distribution show that the people at the very top of the income scale get a good part of their income from dividends and interest and the realization of a return on capital, and their income has increased significantly ahead of the increase in prices.

So, their standard of living has, in fact, risen significantly. But for middle-class people who are essentially the wage and salary earners, that has not been the case.

You do not measure that, I take it.

MRS. NORWOOD. No, we don't. There is a growing consensus that the income data have increasingly showed a polarization. The gap between the top and the bottom has gotten larger.

SENATOR SARBANES. It is not just the top and the bottom. It is really between the top and the middle, as well, is it not?

These figures that we are talking about this morning are really about the middle, are they not?

MRS. NORWOOD. Well, some of them are middle. Some of them are perhaps less than that and some of them are higher than that. There are a lot of wage earners at low wages and some that are at higher wages now.

So, I wouldn't want to break it down quite that way without looking at different wage groups or earnings groups.

But the income data come from the Current Population Survey and are put out by the Census Bureau. They have shown developments that are somewhat different over the 1980s than before, as you're well aware.

SENATOR SARBANES. Commissioner, we thank you very much.

I notice that our former colleague, Congressman Gus Hawkins, is here. He was a very distinguished member of this Committee for many years. Actually, one of our most distinguished members. I want to acknowledge his presence in the Committee room this morning.

Commissioner, we thank you and your colleagues very much for your testimony this morning.

MRS. NORWOOD. Thank you.

SENATOR SARBANES. The Committee is adjourned.

[Whereupon, at 11:31 a.m., the Committee adjourned, subject to the call of the Chair.]

NOVEMBER EMPLOYMENT SITUATION

FRIDAY, DECEMBER 6, 1991

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

The Committee met, pursuant to notice, at 9:42 a.m., in room SD–628, Dirksen Senate Office Building, Honorable Paul S. Sarbanes (chairman of the Committee) presiding.

Present: Senator Sarbanes and Representative Obey.

Also present: Stephen A. Quick, Executive Director; Bill Buechner, Lee Price, Jim Klumpner and Paul Taylor, professional staff members.

OPENING STATEMENT OF SENATOR SARBANES, CHAIRMAN

SENATOR SARBANES. The Committee will come to order.

The Joint Economic Committee is very pleased once again to welcome Commissioner Janet Norwood and her colleagues to testify on the employment and unemployment situation for the month of November.

This morning's data, with employment down 210,000 in the household survey, and down 240,000 in the payroll survey, indicate that the labor market has worsened significantly in November. Although the unemployment rate stayed the same, jobs actually went down. Employment went down, and the Commissioner will explain that.

I take it that the labor force went down, too, and that is why the rate stayed the same, even though the number of jobs dropped. But it's a matter of very deep concern to have this drop in the jobs figure.

We constantly hear this assertion from representatives of the Administration that we are in a recovery. But there does not seem to be any recovery for American workers. Eight and a half million American workers are still unemployed, and the chances of finding a job in this labor market are slim, to say the least.

Now, the Committee plans to do two things during this morning's hearing. First, we will conduct our usual review of the current employment and unemployment situation, and particularly the significance of the figures that were released this morning.

Following the completion of our regular hearing, we are going to take just a few minutes, on behalf of all of the members of the Joint Economic Committee, to mark the fact that Commissioner Norwood will be retiring

at the end of this month. So, this is her last appearance before the Committee as Commissioner of Labor Statistics. We will do that as a follow-on to the regular hearing.

Before turning to the Commissioner for her testimony, I want to review some data on the current state of the economy.

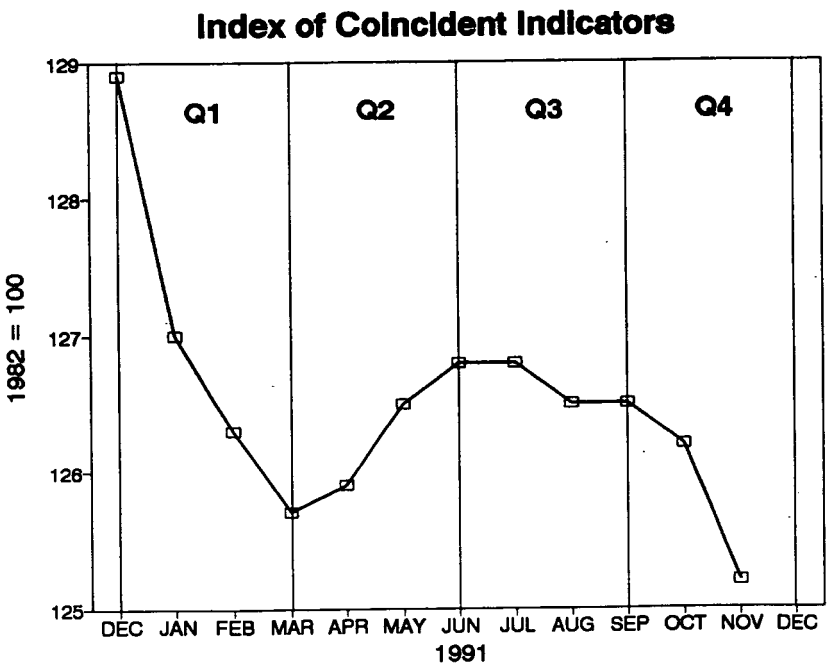
There has been a considerable concern about the labor market. This has been strongly reflected in this Committee. This morning's data heightens that concern.

Despite assurances from the Administration's spokesmen, Mr. Darman and Mr. Boskin, that a recovery is underway, it seems to me that there are growing grounds for concern that the economy may be heading down again.

In addition to today's labor market information, three important indicators point to the possibility of what is known as a double-dip recession.

First, the Commerce Department's Index of Coincident Indicators, which measures how the economy is doing on a month-by-month basis, shows a sharp deceleration of economic activity. The index registered a steep decline in the first quarter of the year.

This chart shows the Index of Coincident Indicators. The index showed a steep decline in the first quarter of the year when everyone knew we were in a recession. In the second quarter, the coincident indicators show that the economy began to grow and that possibly an upturn was underway. (See chart below.)



Then, in the third quarter, when the Administration began strongly to push this theme that the economy was in a recovery, nothing needed to be done, the coincident indicators began to turn back down, and moved down again in the latest month.

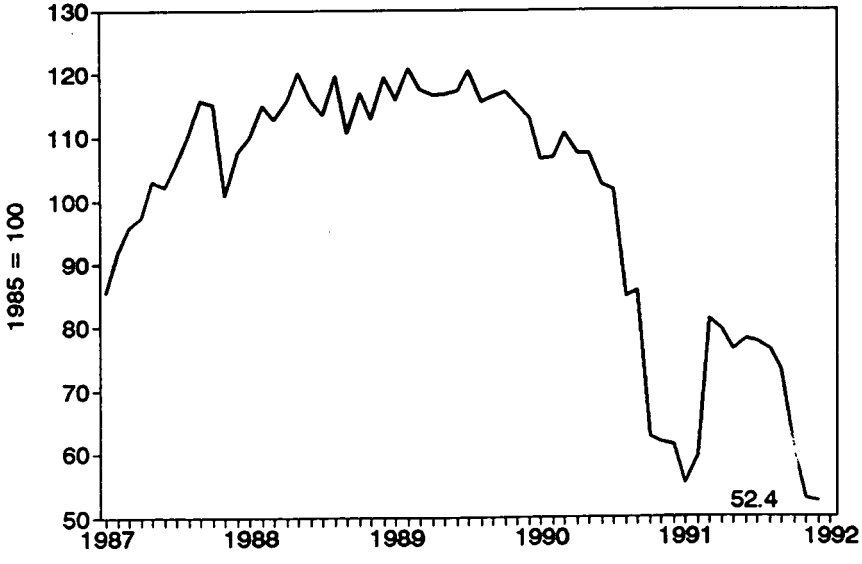
That downturn has continued in the fourth quarter, according to the figures the Commerce Department released on Tuesday for the month of October. The indicators fell two-tenths of a percent in August, even in September, and fell another two-tenths of a percent in October. This index measures payroll employment, personal income, industrial production, amongst other things, all of which are closely related to jobs.

So, a decline in the Coincident Indicators Index is a warning bell for the job market, or so it has been regarded.

Second, consumer confidence data also supports the possibility of another downleg for the recession. Confidence fell ten points in November and is now lower than it was at any time during the 1981-82 recession, and that recession was the worst that we had experienced since the Great Depression.

This chart shows the Consumer Confidence Index of the Conference Board. The index fell through 1990 into 1991. Then, it started back up again, and everyone said, well, we are really on the road to a recovery. Then, it fell off the cliff, and it is now lower, at 50.6, than it was in the 1981-82 recession. (See chart below.)

CONSUMER CONFIDENCE INDEX
The Conference Board



Finally, three indicators of the manufacturing sector are also turning down. The Purchasing Manager's Index fell in November. The Industrial Production Index has been flat for three months. The Federal Reserve's Beige Book of Economic Conditions in various regions of the country seems to confirm a weakening outlook for this critical sector. (See chart below.)

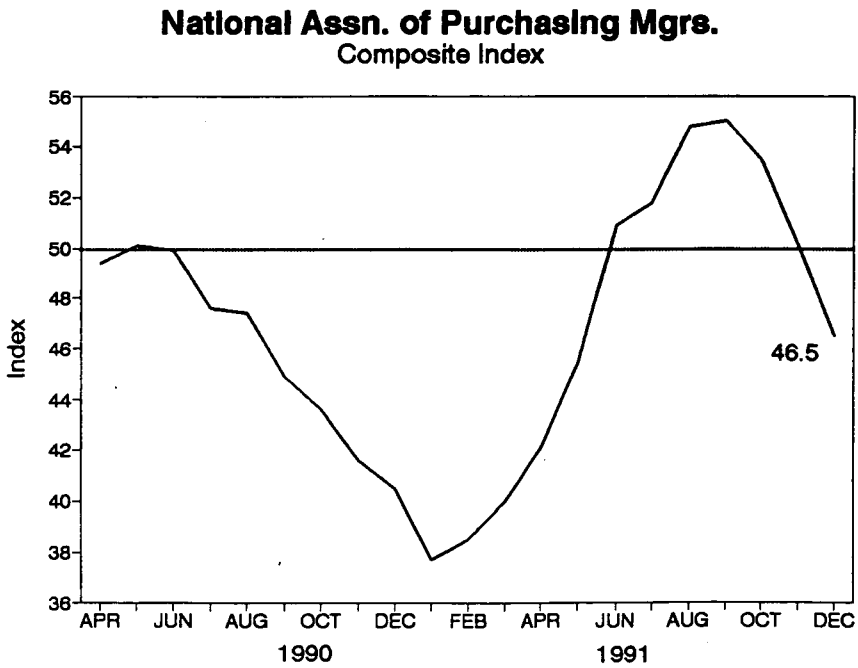
Now, I am going into these figures in some detail, because if you do not recognize a problem, then you are not prepared to do anything about it.

This Committee, Congressman Obey, other members of this Committee and myself have for many months been asserting to the Administration that there is a problem. We have been getting, "no problem," as a response to that assertion.

The fact of the matter is that these indicators show that we may be going back into a downturn.

We were told by the Administration that this was going to be a short and shallow recession. That was the refrain a year ago, and there was no need to do anything about it.

The recession has now dragged on as long as any recession in the postwar period. If there is no recovery in the next month or two, this will stand as the longest recession since the Depression of the 1930s.



Yet, in the face of this obviously serious situation, the Administration has offered only grudging assistance to those most harmed by the recession and no basic change, of course, on economic policy. The Administration has offered no economic proposals. When the Congress tried to do something on unemployment insurance benefits, the President blocked the action. We extended the program in August. The President refused to declare the bill an emergency. We passed another bill in September. The President vetoed it. And not until November, last month, just last month, did we finally get the President to sign an extended benefits bill.

That is an issue that we have addressed month-after-month in this Committee, and I am relieved that, finally, there is legislation on the books that will provide some extended benefits, but it took an awful long time to get it there. My own view is, had the Administration done it early on, it would have made a contribution toward checking the economic downturn, and it certainly would have avoided a lot of human suffering which has taken place.

The sinking economy portrayed in today's numbers obviously calls for a life preserver, and yet, unfortunately, the Administration seems to be content to stand on the shore shouting words of encouragement. That is not an adequate response to our deteriorating economic situation.

We need the Administration to recognize the serious trouble in which the economy finds itself and to provide new directions and economic policy. We have stayed on this course for too long. We are paying a price in lost jobs and incomes for American workers. We need policies to create and retain jobs and get wages growing again.

The employment and unemployment data for November offer important information on the direction of the economy.

I will now turn to Commissioner Norwood and her colleagues for their testimony and interpretation of the November figures. But before that, I will yield to my colleague, Congressman Obey, for any opening remarks that he may have.

OPENING STATEMENT OF REPRESENTATIVE OBEY

REPRESENTATIVE OBEY. Well, Mr. Chairman, I hadn't intended to make an opening statement and won't make a very long one. I simply want to welcome Commissioner Norwood here, along with you, and simply say that these numbers really are very frustrating to me. I have been in the Congress some 22 years and I don't think I have ever been more frustrated than I have been the last 8 or 10 months, because I think that the only thing about this recession that is short and shallow is the Administration's thinking about it.

And what bothers me is that I think official Washington—as certainly defined by the Administration's approach—seems to be very interested in focusing on numbers. But I think they have to recognize that these numbers are important because of what they represent about human beings.

People say, oh, you shouldn't personalize things. I disagree. I think you ought to personalize things, because if you don't, you don't recognize the impact of government policy on people.

Unemployment is a very personal issue to me because I remember the day I transferred, or the week that I transferred, to the University of Wisconsin—the campus in Madison—the week I went away to college was the week that my father lost his job. I remember the turmoil that that meant in our family because I had absolutely no idea if I was going to get any help from him. He didn't know what kind of help he could provide, if any. I was scared. He was humiliated. That creates all kinds of emotional ripples, as well as economic ripples, through the economy, through families.

It has a tremendous impact on marriages. It has a tremendous impact on kids. It has a tremendous impact on family violence. It has a tremendous impact on alcoholism. All you have to do to understand the impact of this is to go back home, knock on some doors, as I have through the past few months, and listen to the stories people tell you.

And what I find so frustrating is that, in terms of the lack of economic growth, in terms of the job shrinkage, in terms of the income shrinkage that has really been plaguing this economy for a long time, in terms of the squeeze on opportunity, we have not only a short-term, serious problem, but I think a long-term crisis in this economy. And I do not think it's being recognized by the Administration.

These numbers indicate that it's not going to be a very healthy or happy Christmas season for a lot of American families. And I really do think that Washington has an obligation to act on these numbers, because these numbers mean that things are happening to people that we want to try to stop.

So, I'll simply stop there, Mr. Chairman. I've gone on longer than I thought I would. But I am very frustrated and I think that frustration is shared by an awful lot of people, as evidenced by the consumer confidence numbers that you've shown us this morning.

But, Dr. Norwood, I'm happy to see you here, even though we are, at best, still stuck in the same rut and appear to be getting somewhat deeper into it.

But thanks for coming.

SENATOR SARBANES. I want to take another moment before the Commissioner starts because I think Congressman Obey has made an extremely important point. These statistics that we talk about have human beings and families behind them, and that is what needs to be understood.

We had Peggy Quirk come before this Committee and give some very powerful testimony when we had a panel of unemployed people. There was a story in the *Wall Street Journal* just a few days ago entitled, "Glum Holiday–Unlike Past Recessions, This One is Battering White Collar Workers."

It goes on. It covers her situation, where she says, "I am a step away from a grate, from a shelter. I never thought this would happen in my

entire life." Then, it goes on later to detail her work record, which was very impressive. She worked steadily for 17 years in hotel and restaurant bookkeeping and management. She was a very impressive and powerful witness before this Committee.

She exhausted her unemployment benefits in the first part of this year. She faced eviction, which we understand has now been temporarily delayed until January. We are relieved that that is the case. But she has been unable to find work.

She says, "I have heard, you are overqualified so often, it irks the hell out of me," and we had other witnesses testify to the same effect. In this same story in the *Journal*, which quotes one unemployed person as saying, "We are not bums. We are middle-class working people who have worked all our lives. We are not asking for handouts."

That is exactly the case and that is what we are facing here and that is why these hearings are so important.

Commissioner, we are pleased to have you with us. We would be happy to receive your statement.

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

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

As always, I have with me, on my left, Tom Plewes, our employment/unemployment expert; and Kenneth Dalton, our price expert.

I'm especially pleased to have this opportunity to share with you my thoughts on this morning's employment situation news release.

As you know, this is my last appearance before the Committee as Commissioner of Labor Statistics. I've appeared at these hearings nearly every month for over 13 years and have always appreciated the opportunity to discuss with you the important data that we release each month and the labor market issues that they reflect.

I, of course, expect to continue to study these issues and hope to share any insights that I might have in future public discussion.

SENATOR SARBANES. We are pleased to hear that, I may say. Very pleased to hear that.

MRS. NORWOOD. I would like to take this opportunity to thank you, Mr. Chairman, and Congressman Obey and the other members of the Committee for your interest and support. You have used this hearing process to improve understanding of our data. You've demonstrated an interest in the Nation's statistical system and a strong commitment to the preservation of its quality and its integrity.

These monthly hearings provide the public with an example of democracy in action, and I am proud to have been a participant in them.

The November statistics released today show some deterioration in the labor market. Payroll employment declined over the month, especially in construction and retail trade. For the third month in a row, there was an increase in the proportion of industries that lost jobs.

Despite November's job losses, the Nation's unemployment rate remained at 6.8 percent. After rising by 1.3 percentage points from the onset of the recession in July of 1990 to March of this year, the rate has remained within a very narrow range through November. Its relative steadiness over this period has been helped by unusually slow growth in the labor force.

For November, the payroll data show a decline of 240,000 jobs. I should note, however, that, while the employment situation did weaken, the job losses we are reporting this month would have been somewhat smaller had it not been for the regularly scheduled introduction of updated seasonal adjustment factors in November.

In the payroll survey, new seasonal factors are calculated at the time of the annual benchmark in May and are updated again 6 months later in November. The historical series are revised only once a year at the time of the benchmark.

Had the newly calculated factors also been used to adjust the October data, the total decline in payroll employment between these 2 months would have been about 170,000, rather than 240,000.

Let me caution you that these numbers are preliminary and subject to change at benchmark time next May.

Job declines occurred in several industries in November. Construction employment fell largely because of the general weakness in that industry, but also because of unusually severe weather conditions in many areas of the country in early November.

In retail trade, hiring in department stores and other retail establishments for the upcoming holiday period was considerably short of seasonal expectations, resulting in a large employment decline after seasonal adjustment.

Smaller job losses occurred in manufacturing and in wholesale trade. The factory decreases were confined to the durable goods industries. After showing some strength this past summer, the number of factory jobs has declined by 100,000 since August. Employment in wholesale trade continued its downward trend. Since July 1990, the industry has lost nearly 200,000 jobs.

In contrast, employment in the services industry has shown considerable strength in the last few months and has gained more than 700,000 jobs in the past 16 months. About three-fourths of this expansion was in the health services industry, which continued its pattern of very strong job growth in November.

As I mentioned earlier, unemployment did not change from October to November. Total employment edged down by about 200,000. The labor force has grown very slowly in 1990 and 1991. Over the past year, for

example, the labor force grew by just 575,000, only about one-third the growth that had occurred as recently as 2 years ago.

This slow growth has reduced the upward pressure on the unemployment rate.

As employment has declined since the beginning of the recession, the proportion of the population that is employed—the employment population ratio—has fallen. The overall ratio has declined by 1.4 percentage points over the past 16 months to 61.3 percent. The ratio for adult men has fallen by 1.7 points to 72.2 percent. The ratio for adult women, which had been rising steadily prior to the onset of the recession, has dropped by 1.1 points over the 16-month period to 54.2 percent in November, its lowest level since September of 1988.

In summary, the number of payroll jobs fell in November, with most of the deterioration concentrated in construction and retail trade. The Nation's jobless rate did not change over the month; at 6.8 percent, the jobless rate remains well within the narrow range it has been in since last March.

Mr. Chairman, my colleagues and I would be glad to try to answer any questions you have.

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

Table 1. Unemployment rates of all civilian workers by alternative seasonal adjustment methods

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

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

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

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

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

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

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

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

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

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

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

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

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

News United States Department of Labor

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THE EMPLOYMENT SITUATION: NOVEMBER 1991

The nation's labor market weakened in November, as the number of workers on employers' payrolls fell, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. There were large employment declines in construction, partly due to severe weather conditions, and pre-holiday hiring in retail trade fell far short of its normal levels. The unemployment rate remained at 6.8 percent in November and has changed little since March.

Unemployment (Household Survey Data)

The unemployment situation was again virtually unchanged in November. The unemployment rate, 6.8 percent, was the same as in October, remaining 1.3 percentage points higher than when the recession began in July 1990. The number of persons unemployed, 8.5 million in November, was 1.7 million higher. (See table A-1.)

There was also very little month-to-month change in unemployment within the major population groups. The jobless rate for adult men was 6.3 percent and that for adult women was 5.9 percent, not significantly different than in October. Since mid-year, the rate for adult men has receded a bit, while the women's rate has been on a slow upswing. The teenage unemployment rate was 18.5 percent in November, also little changed from the prior month. The jobless rate for white workers was 6.1 percent, the rate for blacks was 12.1 percent, and the rate for persons of Hispanic origin was 10.2 percent. The number of persons unemployed for more than 6 months increased by 180,000 to 1.3 million. (See tables A-1, A-2, and A-5.)

Total Employment and the Labor Force (Household Survey Data)

Total employment edged down by about 200,000 in November. At 117.0 million, employment was about 1.1 million less than when the recession started. The proportion of the working-age population with jobs (the employment-population ratio) was 61.3 percent, about a point and a half below its level in July 1990. (See table A-1.)

The number of persons in the labor force also edged down in November to 125.3 million, seasonally adjusted, and was only 575,000 above its year-

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

Category	Quarterly averages		Monthly data			Oct.-Nov. change
	1991		1991			
	II	III	Sept.	Oct.	Nov.	
HOUSEHOLD DATA	Thousands of persons					
Civilian labor force..	125,511	125,242	125,607	125,549	125,257	-292
Employment.....	116,958	116,764	117,165	116,967	116,758	-209
Unemployment.....	8,553	8,477	8,442	8,582	8,499	-83
Not in labor force....	64,012	64,736	64,515	64,740	65,195	455
Discouraged workers.	981	1,075	N.A.	N.A.	N.A.	N.A.
	Percent of labor force					
Unemployment rates:						
All workers.....	6.8	6.8	6.7	6.8	6.8	.0
Adult men.....	6.4	6.5	6.5	6.4	6.3	-0.1
Adult women.....	5.7	5.5	5.5	5.8	5.9	.1
Teenagers.....	18.8	19.2	18.0	18.8	18.5	-.3
White.....	6.0	6.1	6.0	6.0	6.1	.1
Black.....	12.9	12.1	12.1	12.7	12.1	-.6
Hispanic origin...	9.5	10.2	11.1	10.6	10.2	-.4
ESTABLISHMENT DATA	Thousands of jobs					
Nonfarm employment....	108,836	108,965	109,066	p109,070	p108,829	p-241
Goods-producing 1/..	23,811	23,807	23,797	p23,723	p23,593	p-130
Construction.....	4,704	4,695	4,699	p4,671	p4,576	p-95
Manufacturing.....	18,400	18,419	18,414	p18,374	p18,341	p-33
Service-producing.1/	85,025	85,158	85,269	p85,347	p85,236	p-111
Retail trade.....	19,336	19,343	19,338	p19,294	p19,183	p-111
Services.....	28,644	28,834	28,937	p29,023	p29,042	p19
Government.....	18,440	18,419	18,424	p18,460	p18,451	p-9
	Hours of work					
Average weekly hours:						
Total private.....	34.3	34.3	34.5	p34.3	p34.4	p0.1
Manufacturing.....	40.5	40.9	41.0	p40.9	p40.9	p.0
Overtime.....	3.5	3.7	3.7	p3.7	p3.8	p.1

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

earlier level. In contrast, during the 1980s, labor force growth averaged nearly 2 million per year. The labor force participation rate (which represents the proportion of the working-age population either employed or actively seeking employment) declined in November to 65.8 percent. The rate for whites has changed little over the past year, while black participation has trended downward. This decline was particularly pronounced for black youth. (See tables A-1 and A-2.)

Industry Payroll Employment (Establishment Survey Data)

Nonfarm payroll employment showed a seasonally adjusted decline of about 240,000 in November, erasing the job gains that had occurred in recent months. Large job losses occurred in construction and retail trade. A portion of the overall decline was attributable to the normal semi-annual updating of the factors used in seasonally adjusting the data.

The number of construction jobs fell by 95,000, seasonally adjusted, as continued weakness in the industry was compounded by severe weather conditions in some parts of the country. Employment in manufacturing edged down for the third month in a row. The November decline was concentrated in durable goods industries, especially industrial machinery (in which 8,000 were out on strike) and primary and fabricated metals. In contrast, the number of jobs in auto manufacturing rose, offsetting declines in the prior 2 months. (See table B-1.)

Employment in retail trade fell by 110,000, as the level of pre-holiday hiring in department stores and specialty shops was well below that in recent years and seasonal declines in eating and drinking places were greater than normal. Wholesale trade employment continued to edge down. Over the past 16 months, the number of wholesale trade jobs has declined by nearly 200,000.

Following 3 months of fairly strong gains, employment growth in the services industry moderated in November. Continued growth in health services was just about offset by losses in business and other services.

Weekly Hours (Establishment Survey Data)

The average workweek for production or nonsupervisory workers on private nonfarm payrolls edged up 0.1 hour in November to 34.4 hours. The manufacturing workweek was unchanged at 40.9 hours, while factory overtime rose slightly to 3.8 hours. Both the workweek and overtime in factories continued to be high by recent standards. (See table B-2.)

The index of aggregate weekly hours of private production or nonsupervisory workers edged down by 0.1 percent to 121.4 (1982=100) in November, seasonally adjusted. The manufacturing index was also down by 0.1 percent to 102.5. Both decreased by more than 1 percent over the past year. (See table B-5.)

Hourly and Weekly Earnings (Establishment Survey Data)

Average hourly earnings of private production or nonsupervisory workers rose 0.4 percent in November after seasonal adjustment. Average weekly earnings increased by 0.7 percent. Before seasonal adjustment, average hourly earnings edged up 2 cents to $10.46, while average weekly earnings fell by 36 cents to $358.78. Over the year, both average hourly and weekly earnings rose by 3.0 percent. (See table B-3.)

The Employment Situation for December 1991 will be released on Friday, January 10, 1992, at 8:30 A.M. (EST). Release dates for the balance of 1992 are as follows:

Feb. 7	May 8	Aug. 7	Nov. 6
March 6	June 5	Sept. 4	Dec. 4
April 3	July 2	Oct. 2	

Revisions in Household Survey Data

In accordance with usual practice, the release of December data will incorporate annual revisions in seasonally adjusted unemployment and other labor force series. Seasonally adjusted data for the most recent 5 years are subject to revision.

Explanatory Note

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

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

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

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

Coverage, definitions, and differences between surveys

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

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

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

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

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

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

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

Seasonal adjustment

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

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

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

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

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

Sampling variability

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

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

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

Additional statistics and other information

In order to provide a broad view of the nation's employment situation, BLS regularly publishes a wide variety of data in this news release. More comprehensive statistics are contained in *Employment and Earnings*, published each month by BLS. It is available for $10.00 per issue or $31.00 per year from the U.S. Government Printing Office, Washington, DC 20204. A check or money order made out to the Superintendent of Documents must accompany all orders.

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

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-523-1221, TDD phone: 202-523-3926, TDD Message Referral Phone Number: 1-800-326-2577.

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

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted[1]					
	Nov. 1990	Oct. 1991	Nov. 1991	Nov. 1990	July 1991	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991
TOTAL									
Civilian noninstitutional population	188,697	190,289	190,452	188,697	189,839	189,973	190,122	190,289	190,452
Civilian labor force	124,821	125,568	125,396	124,723	125,214	124,904	125,607	125,549	125,257
Participation rate	66.1	66.0	65.8	66.1	66.0	65.7	66.1	66.0	65.8
Employed	117,611	117,555	117,110	117,386	118,712	118,416	117,165	116,987	116,758
Employment-population ratio	62.3	61.8	61.5	62.2	61.5	61.3	61.6	61.5	61.3
Agriculture	3,056	3,310	3,181	3,185	3,229	3,266	3,306	3,195	3,302
Nonagricultural industries	114,555	114,245	113,929	114,201	113,474	113,150	113,859	113,772	113,457
Unemployed	7,211	8,013	8,286	7,337	8,501	8,488	8,442	8,562	8,499
Unemployment rate	5.8	6.4	6.6	5.9	6.8	6.8	6.7	6.8	6.8
Not in labor force	63,875	64,721	65,056	63,974	64,625	65,069	64,515	64,740	65,195
Men, 16 years and over									
Civilian noninstitutional population	89,987	90,830	90,924	89,987	90,592	90,658	90,736	90,830	90,924
Civilian labor force	68,203	68,255	68,207	68,446	68,390	68,210	68,812	68,558	68,399
Participation rate	75.8	75.1	75.0	76.1	75.5	75.2	75.8	75.5	75.2
Employed	64,137	63,921	63,536	64,337	63,389	63,328	63,836	63,702	63,628
Employment-population ratio	71.3	70.4	69.9	71.5	70.0	69.9	70.4	70.1	70.0
Unemployed	4,067	4,334	4,669	4,109	5,001	4,882	4,976	4,856	4,771
Unemployment rate	6.0	6.3	6.8	6.0	7.3	7.2	7.2	7.1	7.0
Men, 20 years and over									
Civilian noninstitutional population	83,092	84,151	84,245	83,092	83,865	83,940	84,023	84,151	84,245
Civilian labor force	64,622	64,894	64,859	64,682	64,934	64,830	65,155	65,010	64,886
Participation rate	77.8	77.1	77.0	77.8	77.4	77.2	77.5	77.3	77.0
Employed	61,200	61,200	60,876	61,217	60,683	60,613	60,890	60,817	60,805
Employment-population ratio	73.7	72.7	72.3	73.7	72.4	72.2	72.5	72.3	72.2
Agriculture	2,261	2,468	2,364	2,307	2,381	2,365	2,423	2,378	2,410
Nonagricultural industries	58,939	58,732	58,512	58,910	58,302	58,248	58,467	58,440	58,395
Unemployed	3,422	3,694	3,983	3,465	4,251	4,217	4,265	4,193	4,081
Unemployment rate	5.3	5.7	6.1	5.4	6.5	6.5	6.5	6.4	6.3
Women, 16 years and over									
Civilian noninstitutional population	98,710	99,459	99,528	98,710	99,248	99,315	99,386	99,459	99,528
Civilian labor force	56,618	57,313	57,189	56,277	56,824	56,694	56,796	56,991	56,858
Participation rate	57.4	57.8	57.5	57.0	57.3	57.1	57.1	57.3	57.1
Employed	53,474	53,635	53,572	53,049	53,323	53,088	53,330	53,264	53,130
Employment-population ratio	54.2	53.9	53.8	53.7	53.7	53.5	53.7	53.6	53.4
Unemployed	3,144	3,678	3,617	3,228	3,500	3,606	3,466	3,728	3,728
Unemployment rate	5.6	6.4	6.3	5.7	6.2	6.4	6.1	6.5	6.6
Women, 20 years and over									
Civilian noninstitutional population	91,963	92,875	92,958	91,963	92,654	92,720	92,797	92,875	92,958
Civilian labor force	53,394	54,131	54,046	52,896	53,617	53,616	53,596	53,654	53,546
Participation rate	58.1	58.3	58.1	57.5	57.9	57.8	57.8	57.8	57.6
Employed	50,751	51,044	50,963	50,196	50,738	50,575	50,656	50,556	50,388
Employment-population ratio	55.2	55.0	54.8	54.6	54.8	54.5	54.6	54.4	54.2
Agriculture	609	668	681	627	601	642	679	629	682
Nonagricultural industries	50,142	50,376	50,302	49,569	50,136	49,933	49,977	49,927	49,706
Unemployed	2,643	3,086	3,082	2,700	2,879	3,041	2,940	3,098	3,158
Unemployment rate	5.0	5.7	5.7	5.1	5.4	5.7	5.5	5.8	5.9
Both sexes, 16 to 19 years									
Civilian noninstitutional population	13,642	13,263	13,250	13,642	13,320	13,313	13,302	13,263	13,250
Civilian labor force	6,805	6,543	6,492	7,145	6,662	6,458	6,856	6,884	6,826
Participation rate	49.9	49.3	49.0	52.4	50.0	48.5	51.5	51.9	51.5
Employed	5,660	5,312	5,271	5,973	5,291	5,228	5,619	5,593	5,566
Employment-population ratio	41.5	40.0	39.8	43.8	39.7	39.3	42.2	42.2	42.0
Agriculture	186	175	156	251	256	259	204	188	210
Nonagricultural industries	5,474	5,137	5,115	5,722	5,035	4,969	5,415	5,405	5,356
Unemployed	1,145	1,232	1,221	1,172	1,371	1,230	1,237	1,291	1,260
Unemployment rate	16.8	18.8	18.8	16.4	20.6	19.0	18.0	18.8	18.5

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

HOUSEHOLD DATA

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

(Numbers in thousands)

Employment status, race, sex, age, and Hispanic origin	Not seasonally adjusted			Seasonally adjusted[1]					
	Nov. 1990	Oct. 1991	Nov. 1991	Nov. 1990	Jun 1991	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991
WHITE									
Civilian noninstitutional population	160,631	161,846	161,949	160,631	161,558	161,842	161,738	161,846	161,949
Civilian labor force	107,013	107,656	107,550	107,048	107,382	107,090	107,618	107,721	107,560
Participation rate	66.5	66.5	66.4	66.6	66.5	66.2	66.5	66.6	66.4
Employed	101,759	101,661	101,205	101,648	100,760	100,610	101,112	101,211	100,986
Employment-population ratio	63.3	62.8	62.5	63.2	62.4	62.2	62.5	62.5	62.4
Unemployed	5,274	5,995	6,346	5,400	6,622	6,480	6,505	6,510	6,573
Unemployment rate	4.9	5.6	5.9	5.0	6.2	6.1	6.0	6.0	6.1
Men, 20 years and over									
Civilian labor force	56,101	56,263	56,277	56,174	56,344	56,252	56,532	56,371	56,322
Participation rate	78.2	77.8	77.5	78.3	77.9	77.7	78.0	77.7	77.6
Employed	53,536	53,360	53,096	53,564	52,960	52,934	53,072	53,042	53,043
Employment-population ratio	74.6	73.8	73.2	74.6	73.2	73.1	73.3	73.2	73.1
Unemployed	2,565	2,903	3,181	2,610	3,385	3,318	3,459	3,329	3,279
Unemployment rate	4.6	5.2	5.7	4.6	6.0	5.9	6.1	5.9	5.8
Women, 20 years and over									
Civilian labor force	45,098	45,734	45,672	44,711	45,316	45,254	45,178	45,390	45,287
Participation rate	57.7	58.1	58.0	57.2	57.7	57.8	57.4	57.7	57.5
Employed	43,210	43,555	43,447	42,768	43,137	42,998	43,035	43,167	42,974
Employment-population ratio	55.3	55.3	55.2	54.8	54.9	54.7	54.7	54.8	54.6
Unemployed	1,888	2,179	2,225	1,943	2,179	2,256	2,141	2,223	2,313
Unemployment rate	4.2	4.8	4.9	4.3	4.8	5.0	4.7	4.9	5.1
Both sexes, 16 to 19 years									
Civilian labor force	5,813	5,660	5,602	6,163	5,722	5,584	5,910	5,980	5,950
Participation rate	53.1	53.3	52.9	56.3	53.7	52.5	55.8	56.2	56.2
Employed	4,992	4,747	4,662	5,318	4,663	4,678	5,005	5,003	4,989
Employment-population ratio	45.6	44.7	44.0	48.6	43.7	43.9	47.1	47.1	46.9
Unemployed	821	912	940	847	1,059	906	905	957	961
Unemployment rate	14.1	16.1	16.8	13.7	18.5	16.2	15.3	16.1	16.5
Men	15.8	16.6	18.0	14.9	20.0	16.9	16.4	16.3	17.2
Women	12.3	15.6	15.5	12.5	16.8	15.5	14.1	15.8	15.8
BLACK									
Civilian noninstitutional population	21,417	21,714	21,745	21,417	21,631	21,655	21,683	21,714	21,745
Civilian labor force	13,608	13,560	13,482	13,550	13,516	13,454	13,737	13,554	13,396
Participation rate	63.5	62.5	62.0	63.3	62.5	62.1	63.4	62.4	61.6
Employed	11,969	11,868	11,847	11,897	11,922	11,798	12,080	11,830	11,773
Employment-population ratio	55.9	54.7	54.5	55.5	55.1	54.5	55.7	54.5	54.1
Unemployed	1,639	1,692	1,635	1,653	1,595	1,656	1,657	1,724	1,623
Unemployment rate	12.0	12.5	12.1	12.2	11.8	12.3	12.1	12.7	12.1
Men, 20 years and over									
Civilian labor force	6,348	6,377	6,353	6,348	6,379	6,301	6,409	6,374	6,344
Participation rate	74.3	73.0	72.6	74.3	73.5	72.4	73.5	73.0	72.5
Employed	5,637	5,720	5,689	5,638	5,638	5,577	5,716	5,686	5,683
Employment-population ratio	66.0	65.5	65.0	66.0	64.9	64.1	65.6	65.1	65.0
Unemployed	711	658	663	710	741	724	693	688	661
Unemployment rate	11.2	10.3	10.4	11.2	11.6	11.5	10.8	10.8	10.4
Women, 20 years and over									
Civilian labor force	6,452	6,499	6,450	6,369	6,418	6,485	6,576	6,454	6,353
Participation rate	60.2	59.6	59.1	59.4	59.2	59.7	60.4	59.2	58.2
Employed	5,338	5,392	5,715	5,717	5,313	5,816	5,898	5,703	5,631
Employment-population ratio	54.2	52.6	52.4	53.3	53.6	53.5	54.2	52.3	51.8
Unemployed	644	768	735	648	605	669	680	751	722
Unemployment rate	10.0	11.8	11.4	10.2	9.4	10.3	10.3	11.6	11.4
Both sexes, 16 to 19 years									
Civilian labor force	609	634	679	667	713	668	752	726	699
Participation rate	37.5	37.9	37.6	38.9	34.3	31.9	36.0	34.8	33.6
Employed	534	517	542	542	570	403	458	441	459
Employment-population ratio	24.3	23.0	21.2	25.2	22.4	19.3	22.4	21.1	22.0
Unemployed	75	117	137	125	143	265	294	285	240
Unemployment rate	12.2	18.0	14.9	15.2	14.6	39.7	37.8	39.3	34.3
Men	33.1	35.0	35.7	33.2	31.8	37.5	40.8	35.4	35.8
Women	37.1	43.4	33.9	37.5	37.4	42.3	33.6	43.5	32.7

See footnotes at end of table.

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

(Numbers in thousands)

Employment status, race, sex, age, and Hispanic origin	Not seasonally adjusted			Seasonally adjusted[1]					
	Nov. 1990	Oct. 1991	Nov. 1991	Nov. 1990	July 1991	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991
HISPANIC ORIGIN									
Civilian noninstitutional population	14,474	14,908	14,948	14,474	14,790	14,829	14,869	14,908	14,948
Civilian labor force	9,508	9,874	9,817	9,500	9,834	9,747	9,863	9,924	9,818
Participation rate	65.7	66.2	65.7	65.6	66.5	65.7	66.3	66.6	65.7
Employed	8,682	8,898	8,812	8,683	8,903	8,778	8,784	8,871	8,812
Employment-population ratio	60.0	59.7	58.9	60.0	60.2	59.2	58.9	59.5	59.0
Unemployed	826	976	1,006	817	931	969	1,098	1,053	1,006
Unemployment rate	8.7	9.9	10.2	8.6	9.5	9.9	11.1	10.6	10.2

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

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

Table A-3. Selected employment indicators

(In thousands)

Category	Not seasonally adjusted			Seasonally adjusted					
	Nov. 1990	Oct. 1991	Nov. 1991	Nov. 1990	July 1991	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991
CHARACTERISTIC									
Civilian employed, 16 years and over	117,611	117,555	117,110	117,386	116,712	116,416	117,165	116,967	116,758
Married men, spouse present	40,957	40,896	40,629	40,844	40,503	40,462	40,510	40,531	40,467
Married women, spouse present	30,036	30,240	30,148	29,713	29,993	29,915	29,843	29,852	29,761
Women who maintain families	6,401	6,488	6,542	6,341	6,489	6,467	6,574	6,443	6,484
OCCUPATION									
Managerial and professional specialty	30,858	31,268	31,313	30,732	30,926	30,850	31,002	31,110	31,174
Technical, sales, and administrative support	36,531	36,168	36,017	36,380	35,891	35,878	36,096	36,132	35,874
Service occupations	15,747	15,954	16,034	15,861	16,138	15,939	16,075	16,034	16,147
Precision production, craft, and repair	13,494	13,244	13,116	13,428	13,057	13,102	13,045	13,152	13,025
Operators, fabricators, and laborers	17,823	17,446	17,394	17,752	17,184	17,121	17,509	17,161	17,253
Farming, forestry, and fishing	3,158	3,475	3,235	3,360	3,540	3,466	3,451	3,430	3,456
INDUSTRY AND CLASS OF WORKER									
Agriculture:									
Wage and salary workers	1,595	1,717	1,614	1,681	1,678	1,704	1,748	1,629	1,687
Self-employed workers	1,352	1,479	1,462	1,386	1,497	1,480	1,431	1,436	1,507
Unpaid family workers	109	115	105	116	120	102	118	126	118
Nonagricultural industries:									
Wage and salary workers	105,451	104,849	104,674	105,267	104,422	104,122	104,744	104,442	104,382
Government	17,981	18,401	18,122	17,633	17,969	17,908	17,955	18,165	17,784
Private industries	87,469	86,448	86,552	87,634	86,453	86,214	86,789	86,277	86,598
Private households	982	1,020	938	992	1,113	1,058	1,013	998	937
Other industries	86,487	85,428	85,614	86,642	85,340	85,156	85,775	85,279	85,661
Self-employed workers	8,863	9,169	9,029	8,800	8,860	8,817	8,980	8,980	8,966
Unpaid family workers	241	227	226	255	229	212	195	243	239
PERSONS AT WORK PART TIME[1]									
All industries:									
Part time for economic reasons	5,357	5,891	6,338	5,438	5,881	5,892	6,374	6,328	6,461
Slack work	2,861	3,218	3,343	2,786	3,091	3,073	3,417	3,438	3,300
Could only find part-time work	2,239	2,416	2,705	2,340	2,505	2,621	2,728	2,612	2,824
Voluntary part time	16,149	15,905	15,999	15,048	15,208	15,040	15,046	14,976	14,869
Nonagricultural industries:									
Part time for economic reasons	5,092	5,639	6,018	5,163	5,605	5,643	6,130	6,115	6,185
Slack work	2,666	3,022	3,103	2,625	2,915	2,886	3,207	3,253	3,100
Could only find part-time work	2,181	2,363	2,634	2,262	2,435	2,533	2,638	2,563	2,741
Voluntary part time	15,782	15,396	15,558	14,658	14,737	14,591	14,579	14,484	14,406

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

Table A-4. Selected unemployment indicators, seasonally adjusted

Category	Number of unemployed persons (in thousands)			Unemployment rates[1]					
	Nov. 1990	Oct. 1991	Nov. 1991	Nov. 1990	July 1991	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991
CHARACTERISTIC									
Total, 16 years and over	7,337	8,582	8,499	5.9	6.8	6.8	6.7	6.8	6.8
Men, 20 years and over	3,465	4,193	4,081	5.4	6.5	6.5	6.5	6.4	6.3
Women, 20 years and over	2,700	3,098	3,158	5.1	5.4	5.7	5.5	5.8	5.9
Both sexes, 16 to 19 years	1,172	1,291	1,260	18.4	20.6	19.0	18.0	18.8	18.5
Married men, spouse present	1,582	1,789	1,908	3.7	4.3	4.3	4.5	4.2	4.5
Married women, spouse present	1,261	1,375	1,418	4.1	4.3	4.4	4.5	4.4	4.5
Women who maintain families	605	680	648	8.7	8.3	9.6	8.9	9.5	9.1
Full-time workers	6,057	7,095	6,962	5.7	6.5	6.5	6.4	6.6	6.5
Part-time workers	1,302	1,473	1,547	7.3	8.3	8.2	8.3	8.2	8.6
Labor force time lost[2]	—	—	—	6.7	7.5	7.6	7.7	7.7	7.9
OCCUPATION[3]									
Managerial and professional specialty	690	926	917	2.2	2.9	2.9	2.8	2.9	2.9
Technical, sales, and administrative support	1,753	1,947	1,980	4.6	4.9	5.1	5.1	5.1	5.2
Precision production, craft, and repair	990	1,153	1,163	6.6	8.5	8.3	8.0	8.1	8.2
Operators, fabricators, and laborers	1,836	1,884	1,883	9.4	10.6	10.1	9.7	9.9	9.8
Farming, forestry, and fishing	221	286	314	6.2	6.7	8.1	7.1	7.7	8.3
INDUSTRY									
Nonagricultural private wage and salary workers	5,749	6,494	6,670	6.2	7.1	7.0	6.9	7.0	7.2
Goods-producing industries	2,289	2,518	2,589	7.9	9.1	8.9	8.7	9.0	9.2
Mining	35	57	72	4.7	8.7	7.5	11.1	7.5	9.8
Construction	840	970	958	13.3	16.7	15.1	15.7	16.2	16.0
Manufacturing	1,414	1,491	1,560	6.5	7.0	7.2	6.8	7.0	7.3
Durable goods	687	930	838	6.9	7.1	7.4	6.7	7.5	6.8
Nondurable goods	527	561	722	5.9	6.9	6.9	6.8	6.3	7.9
Service-producing industries	3,457	3,975	4,081	5.4	6.2	6.2	6.2	6.1	6.3
Transportation and public utilities	273	325	386	4.1	5.1	5.1	4.7	4.9	5.7
Wholesale and retail trade	1,594	1,852	1,740	6.7	8.1	7.6	7.8	7.8	7.3
Finance and service industries	1,590	1,798	1,955	4.7	5.1	5.5	5.3	5.3	5.7
Government workers	505	674	618	2.8	2.8	3.3	3.4	3.6	3.4
Agricultural wage and salary workers	182	221	245	9.8	11.5	11.9	10.9	12.0	12.7

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

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

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

Table A-5. Duration of unemployment

(Numbers in thousands)

Weeks of unemployment	Not seasonally adjusted			Seasonally adjusted					
	Nov. 1990	Oct. 1991	Nov. 1991	Nov. 1990	July 1991	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991
DURATION									
Less than 5 weeks	3,326	3,175	3,306	3,277	3,368	3,385	3,322	3,266	3,270
5 to 14 weeks	2,255	2,575	2,562	2,334	2,722	2,602	2,832	2,784	2,680
15 weeks and over	1,630	2,263	2,418	1,727	2,348	2,396	2,362	2,537	2,581
15 to 26 weeks	866	1,208	1,160	938	1,215	1,221	1,224	1,410	1,274
27 weeks and over	764	1,055	1,257	789	1,132	1,175	1,138	1,127	1,307
Average (mean) duration, in weeks	12.4	14.1	14.8	12.4	13.9	14.0	14.0	14.3	14.9
Median duration, in weeks	5.4	6.8	7.1	5.9	6.8	7.2	7.5	7.4	7.7
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	48.1	39.8	39.9	44.7	39.9	40.4	39.0	38.0	38.3
5 to 14 weeks	31.3	32.1	30.9	31.8	32.3	31.0	33.3	32.4	31.4
15 weeks and over	22.6	28.2	29.2	23.5	27.8	28.6	27.7	29.5	30.3
15 to 26 weeks	12.0	15.1	14.0	12.8	14.4	14.6	14.4	16.4	14.9
27 weeks and over	10.6	13.2	15.2	10.8	13.4	14.0	13.4	13.1	15.3

HOUSEHOLD DATA

Table A-6. Reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted			Seasonally adjusted					
	Nov. 1990	Oct. 1991	Nov. 1991	Nov. 1990	July 1991	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991
NUMBER OF UNEMPLOYED									
Job losers	3,743	4,070	4,556	3,756	4,596	4,665	4,801	4,722	4,635
On layoff	1,104	904	1,112	1,136	1,188	1,281	1,129	1,194	1,163
Other job losers	2,639	3,167	3,444	2,620	3,408	3,384	3,672	3,527	3,472
Job leavers	1,002	1,036	1,004	996	990	883	929	989	993
Reentrants	1,878	2,139	2,033	1,926	2,047	2,112	2,017	2,091	2,096
New entrants	587	767	694	655	821	762	782	828	783
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	51.9	50.8	55.0	51.2	54.4	55.4	56.3	54.7	54.6
On layoff	15.3	11.3	13.4	15.5	14.1	15.2	13.2	13.8	13.7
Other job losers	36.6	39.5	41.6	35.7	40.3	40.2	43.1	40.9	40.9
Job leavers	13.9	12.9	12.1	13.6	11.7	10.5	10.9	11.5	11.7
Reentrants	26.0	26.7	24.5	26.3	24.2	25.1	23.6	24.2	24.7
New entrants	8.1	9.6	8.4	8.9	9.7	9.0	9.2	9.6	9.0
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE									
Job losers	3.0	3.2	3.6	3.0	3.7	3.7	3.8	3.8	3.7
Job leavers	.8	.8	.8	.8	.8	.7	.7	.8	.8
Reentrants	1.5	1.7	1.6	1.5	1.6	1.7	1.6	1.7	1.7
New entrants	.5	.6	.6	.5	.7	.6	.6	.7	.6

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

(Percent)

Measure	Quarterly averages					Monthly data		
	1990		1991			1991		
	III	IV	I	II	III	Sept.	Oct.	Nov.
U-1 Persons unemployed 15 weeks or longer as a percent of the civilian labor force	1.3	1.3	1.8	1.9	1.9	1.9	2.0	2.1
U-2 Job losers as a percent of the civilian labor force	2.7	3.0	3.5	3.7	3.7	3.8	3.8	3.7
U-3 Unemployed persons 25 years and over as a percent of the civilian labor force for persons 25 years and over	4.4	4.7	5.3	5.5	5.4	5.4	5.4	5.5
U-4 Unemployed full-time jobseekers as a percent of the full-time civilian labor force	5.2	5.7	6.3	6.5	6.5	6.4	6.6	6.5
U-5a Total unemployed as a percent of the labor force, including the resident Armed Forces	5.5	5.8	6.4	6.7	6.7	6.6	6.7	6.7
U-5b Total unemployed as a percent of the civilian labor force	5.6	5.9	6.5	6.8	6.8	6.7	6.8	6.8
U-6 Total full-time jobseekers plus 1/2 part-time jobseekers plus 1/2 total on part time for economic reasons as a percent of the civilian labor force less 1/2 of the part-time labor force	7.6	8.1	9.0	9.2	9.2	9.3	9.4	9.4
U-7 Total full-time jobseekers plus 1/2 part-time jobseekers plus 1/2 total on part time for economic reasons plus discouraged workers as a percent of the civilian labor force plus discouraged workers less 1/2 of the part-time labor force	8.3	8.9	9.8	10.0	10.1	N.A.	N.A.	N.A.

N.A. = not available.

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

Sex and age	Number of unemployed persons (in thousands)			Unemployment rates[1]					
	Nov. 1990	Oct. 1991	Nov. 1991	Nov. 1990	July 1991	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991
Total, 16 years and over	7,337	8,582	8,499	5.9	6.8	6.8	6.7	6.8	6.8
16 to 24 years	2,428	2,844	2,773	11.8	14.3	13.4	13.2	13.8	13.5
16 to 19 years	1,172	1,291	1,260	16.4	20.6	19.0	18.0	18.8	18.5
16 to 17 years	507	594	548	18.6	24.0	22.0	20.5	21.8	20.7
18 to 19 years	662	699	717	15.0	18.0	16.8	17.0	16.9	17.1
20 to 24 years	1,256	1,553	1,513	9.1	11.2	10.7	10.8	11.3	11.0
25 years and over	4,910	5,680	5,718	4.7	5.3	5.5	5.4	5.4	5.5
25 to 54 years	4,403	5,144	5,133	5.0	5.6	5.7	5.7	5.7	5.7
55 years and over	513	548	606	3.3	4.0	4.2	3.8	3.8	4.0
Men, 16 years and over	4,109	4,856	4,771	6.0	7.3	7.2	7.2	7.1	7.0
16 to 24 years	1,335	1,539	1,510	12.1	15.4	14.2	14.6	14.2	14.0
16 to 19 years	644	863	690	17.1	21.7	19.7	19.4	18.7	19.6
16 to 17 years	280	300	282	19.2	24.1	22.9	21.5	21.5	21.1
18 to 19 years	367	361	411	15.6	19.2	17.6	18.6	16.8	18.7
20 to 24 years	691	676	820	9.5	12.5	11.6	12.2	12.0	11.3
25 years and over	2,764	3,288	3,256	4.8	5.7	5.8	5.8	5.7	5.6
25 to 54 years	2,448	2,951	2,923	5.0	6.0	5.9	6.1	6.0	6.0
55 years and over	335	340	344	3.8	4.7	5.0	4.2	4.0	4.0
Women, 16 years and over	3,228	3,726	3,728	5.7	6.2	6.4	6.1	6.5	6.6
16 to 24 years	1,093	1,305	1,263	11.0	13.0	12.5	11.7	13.3	12.9
16 to 19 years	528	628	570	15.8	19.4	18.4	16.4	18.8	17.2
16 to 17 years	227	294	264	17.8	23.9	20.9	19.5	21.8	20.3
18 to 19 years	295	336	306	14.2	16.7	16.0	15.2	17.0	15.3
20 to 24 years	565	677	693	8.6	9.8	9.6	9.3	10.5	10.7
25 years and over	2,148	2,392	2,464	4.6	4.8	5.1	5.0	5.1	5.2
25 to 54 years	1,955	2,193	2,210	4.9	5.0	5.4	5.3	5.4	5.4
55 years and over	178	208	262	2.7	3.1	3.3	3.3	3.2	4.0

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

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

(Numbers in thousands)

Veteran status and age	Civilian noninstitutional population		Civilian labor force							
			Total		Employed		Unemployed			
							Number		Percent of labor force	
	Nov. 1990	Nov. 1991	Nov. 1990	Nov. 1991	Nov. 1990	Nov. 1991	Nov. 1990	Nov. 1991	Nov. 1990	Nov. 1991
VIETNAM-ERA VETERANS										
Total, 35 years and over	7,689	7,818	7,044	7,068	6,702	6,743	342	325	4.9	4.6
35 to 49 years	6,494	6,408	6,179	6,010	5,878	5,720	301	290	4.9	4.8
35 to 39 years	1,319	1,072	1,236	988	1,166	919	71	70	5.7	7.1
40 to 44 years	3,223	2,955	3,080	2,787	2,937	2,652	143	134	4.6	4.8
45 to 49 years	1,952	2,381	1,863	2,235	1,776	2,150	87	85	4.7	3.8
50 years and over	1,195	1,410	865	1,058	824	1,023	41	35	4.7	3.3
NONVETERANS										
Total, 35 to 49 years	17,812	18,783	16,787	17,581	15,985	16,643	782	938	4.7	5.3
35 to 39 years	8,137	8,539	7,745	8,086	7,361	7,605	385	481	5.0	5.9
40 to 44 years	5,474	5,939	5,143	5,573	4,948	5,316	195	257	3.8	4.6
45 to 49 years	4,202	4,305	3,879	3,921	3,676	3,722	203	199	5.2	5.1

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

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

(Numbers in thousands)

State and employment status	Not seasonally adjusted[1]			Seasonally adjusted[2]					
	Nov. 1990	Oct. 1991	Nov. 1991	Nov. 1990	July 1991	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991
California									
Civilian noninstitutional population	22,122	22,571	22,614	22,122	22,447	22,486	22,528	22,571	22,614
Civilian labor force	14,663	15,001	14,998	14,623	14,725	14,885	15,008	14,986	14,968
Employed	13,711	13,907	13,908	13,666	13,609	13,796	13,853	13,820	13,865
Unemployed	952	1,094	1,090	957	1,116	1,089	1,153	1,166	1,103
Unemployment rate	6.5	7.3	7.3	6.5	7.6	7.3	7.7	7.8	7.4
Florida									
Civilian noninstitutional population	10,209	10,424	10,445	10,209	10,365	10,384	10,404	10,424	10,445
Civilian labor force	6,460	6,498	6,505	6,488	6,413	6,480	6,474	6,455	6,495
Employed	6,052	6,031	6,046	6,085	5,913	5,956	5,958	5,988	6,034
Unemployed	408	467	459	403	500	524	516	467	461
Unemployment rate	6.3	7.2	7.1	6.2	7.8	8.1	8.0	7.2	7.1
Illinois									
Civilian noninstitutional population	8,890	8,931	8,935	8,890	8,919	8,922	8,926	8,931	8,935
Civilian labor force	6,056	5,9[illegible]	5,969	6,044	6,042	6,035	5,995	5,955	5,954
Employed	5,697	5,514	5,468	5,683	5,636	5,598	5,569	5,494	5,449
Unemployed	359	447	501	361	406	437	426	461	505
Unemployment rate	5.9	7.5	8.4	6.0	6.7	7.2	7.1	7.7	8.5
Massachusetts									
Civilian noninstitutional population	4,621	4,625	4,626	4,621	4,624	4,624	4,624	4,625	4,626
Civilian labor force	3,108	3,132	3,132	3,146	3,099	3,047	3,141	3,155	3,164
Employed	2,903	2,874	2,882	2,926	2,818	2,768	2,853	2,875	2,894
Unemployed	205	258	250	220	281	279	288	280	270
Unemployment rate	6.6	8.2	8.0	7.0	9.1	9.2	9.2	8.9	8.5
Michigan									
Civilian noninstitutional population	7,006	7,023	7,025	7,006	7,018	7,019	7,020	7,023	7,025
Civilian labor force	4,545	4,536	4,564	4,516	4,446	4,428	4,502	4,510	4,545
Employed	4,218	4,149	4,153	4,174	4,075	4,026	4,065	4,112	4,106
Unemployed	326	386	411	342	371	402	437	398	439
Unemployment rate	7.2	8.5	9.0	7.6	8.3	9.1	9.7	8.8	9.7
New Jersey									
Civilian noninstitutional population	6,027	6,026	6,026	6,027	6,026	6,025	6,025	6,026	6,026
Civilian labor force	4,052	4,024	3,966	4,069	4,054	4,033	4,047	4,052	3,973
Employed	3,843	3,752	3,698	3,847	3,800	3,764	3,795	3,778	3,689
Unemployed	209	272	268	222	254	269	252	274	284
Unemployment rate	5.2	6.8	6.8	5.5	6.3	6.7	6.2	6.8	7.[illegible]
New York									
Civilian noninstitutional population	13,801	13,803	13,805	13,801	13,802	13,801	13,802	13,803	13,805
Civilian labor force	8,569	8,541	8,536	8,565	8,511	8,536	8,601	8,561	8,547
Employed	8,117	7,949	7,875	8,104	7,909	7,894	8,016	7,943	7,863
Unemployed	452	591	661	461	602	642	585	618	684
Unemployment rate	5.3	6.9	7.7	5.4	7.1	7.5	6.8	7.2	8.0

See footnotes at end of table.

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

(Numbers in thousands)

State and employment status	Not seasonally adjusted[1]			Seasonally adjusted[2]					
	Nov. 1990	Oct. 1991	Nov. 1991	Nov. 1990	July 1991	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991
North Carolina									
Civilian noninstitutional population	5,022	5,080	5,088	5,022	5,064	5,069	5,075	5,080	5,088
Civilian labor force	3,384	3,490	3,470	3,379	3,426	3,476	3,545	3,491	3,467
Employed	3,212	3,311	3,274	3,210	3,214	3,272	3,336	3,305	3,275
Unemployed	172	179	196	169	212	204	209	186	192
Unemployment rate	5.1	5.1	5.7	5.0	6.2	5.9	5.9	5.3	5.5
Ohio									
Civilian noninstitutional population	8,295	8,320	8,323	8,295	8,312	8,314	8,316	8,320	8,323
Civilian labor force	5,463	5,435	5,457	5,452	5,497	5,373	5,443	5,398	5,435
Employed	5,176	5,153	5,167	5,156	5,119	5,008	5,095	5,101	5,128
Unemployed	287	282	290	296	378	365	348	295	307
Unemployment rate	5.3	5.2	5.3	5.4	6.9	6.8	6.4	5.5	5.6
Pennsylvania									
Civilian noninstitutional population	9,398	9,422	9,425	9,398	9,415	9,416	9,419	9,422	9,425
Civilian labor force	5,911	5,993	5,975	5,917	5,952	5,908	5,921	5,994	5,966
Employed	5,563	5,611	5,589	5,574	5,534	5,475	5,520	5,606	5,576
Unemployed	347	383	386	343	418	433	401	388	390
Unemployment rate	5.9	6.4	6.5	5.8	7.0	7.3	6.8	6.5	6.5
Texas									
Civilian noninstitutional population	12,432	12,580	12,594	12,432	12,538	12,551	12,565	12,580	12,594
Civilian labor force	8,524	8,534	8,559	8,467	8,619	8,467	8,515	8,553	8,517
Employed	7,941	7,918	7,980	7,898	8,038	7,920	7,956	7,881	7,956
Unemployed	583	616	580	569	581	547	559	672	561
Unemployment rate	6.8	7.2	6.8	6.7	6.7	6.5	6.6	7.9	6.6

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

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

ESTABLISHMENT DATA

Table B-1. Employees on nonfarm payrolls by industry

(In thousands)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Nov. 1990	Sept. 1991	Oct. 1991p/	Nov. 1991p/	Nov. 1990	July 1991	Aug. 1991	Sept. 1991	Oct. 1991p/	Nov. 1991p/
Total	110,691	109,421	109,795	109,803	109,761	108,859	108,971	109,066	109,070	108,829
Total private	91,937	91,257	91,090	90,952	91,406	90,439	90,557	90,642	90,610	90,378
Goods-producing industries	24,688	24,205	24,068	23,798	24,481	23,798	23,826	23,797	23,723	23,593
Mining	719	693	686	681	712	701	693	684	678	676
Oil and gas extraction	402.3	387.0	383.8	382.8	398	394	390	385	382	380
Construction	5,085	4,948	4,886	4,700	4,962	4,695	4,691	4,699	4,671	4,576
General building contractors	1,273.9	1,208.6	1,191.1	1,157.9	1,251	1,170	1,165	1,161	1,152	1,136
Manufacturing	18,876	18,564	18,496	18,417	18,807	18,402	18,442	18,414	18,376	18,341
Production workers	12,788	12,606	12,558	12,484	12,715	12,448	12,488	12,456	12,437	12,412
Durable goods	10,903	10,580	10,545	10,503	10,867	10,546	10,553	10,531	10,494	10,462
Production workers	7,210	7,008	6,988	6,950	7,172	6,971	6,983	6,954	6,936	6,914
Lumber and wood products	718.8	713.0	704.7	690.2	719	699	700	696	698	699
Furniture and fixtures	500.7	484.0	485.0	484.2	496	478	483	482	481	479
Stone, clay, and glass products	548.4	531.2	529.2	523.9	543	520	523	522	522	518
Primary metal industries	746.9	720.7	714.5	710.2	747	721	722	719	714	709
Blast furnaces and basic steel products	274.0	260.3	256.8	256.7	274	260	260	260	258	257
Fabricated metal products	1,409.7	1,365.9	1,364.9	1,359.4	1,402	1,359	1,361	1,358	1,355	1,350
Industrial machinery and equipment	2,061.6	1,971.7	1,964.7	1,956.0	2,063	1,984	1,980	1,980	1,969	1,958
Electronic and other electrical equipment	1,643.9	1,583.9	1,584.3	1,579.9	1,636	1,589	1,585	1,581	1,576	1,572
Transportation equipment	1,903.6	1,872.3	1,859.2	1,856.0	1,897	1,861	1,868	1,861	1,848	1,850
Motor vehicles and equipment	761.4	806.7	797.8	799.6	758	791	797	795	788	798
Instruments and related products	991.4	965.8	962.7	961.7	991	968	966	967	964	961
Miscellaneous manufacturing	378.4	371.1	375.5	372.7	373	367	365	365	367	366
Nondurable goods	7,973	7,984	7,951	7,914	7,940	7,856	7,889	7,883	7,880	7,879
Production workers	5,578	5,598	5,570	5,534	5,543	5,477	5,505	5,502	5,501	5,498
Food and kindred products	1,682.7	1,759.8	1,719.5	1,686.1	1,669	1,660	1,685	1,676	1,671	1,673
Tobacco products	50.6	51.1	50.5	49.1	49	49	50	49	48	47
Textile mill products	679.9	675.0	675.5	675.1	677	671	670	670	672	672
Apparel and other textile products	1,030.6	1,040.5	1,048.1	1,048.6	1,023	1,032	1,031	1,034	1,039	1,039
Paper and allied products	697.3	692.9	691.7	690.5	697	689	692	692	691	691
Printing and publishing	1,573.9	1,523.9	1,524.6	1,529.1	1,568	1,532	1,531	1,530	1,526	1,523
Chemicals and allied products	1,091.1	1,090.6	1,089.3	1,088.6	1,095	1,084	1,088	1,090	1,091	1,092
Petroleum and coal products	159.3	161.6	160.7	158.7	159	159	160	159	159	158
Rubber and misc. plastics products	880.5	865.9	869.9	866.5	877	857	861	862	864	863
Leather and leather products	127.1	122.4	121.1	121.7	126	123	121	121	119	121
Service-producing industries	86,011	85,216	85,727	86,005	85,280	85,061	85,145	85,269	85,347	85,236
Transportation and public utilities	5,897	5,877	5,879	5,876	5,852	5,809	5,820	5,829	5,829	5,826
Transportation	3,628	3,615	3,625	3,630	3,582	3,550	3,564	3,569	3,575	3,580
Communications and public utilities	2,269	2,262	2,254	2,244	2,270	2,259	2,256	2,260	2,254	2,246
Wholesale trade	6,193	6,067	6,061	6,048	6,180	6,064	6,050	6,049	6,043	6,032
Durable goods	3,606	3,495	3,489	3,484	3,604	3,509	3,500	3,495	3,489	3,481
Nondurable goods	2,587	2,572	2,572	2,564	2,576	2,555	2,550	2,554	2,554	2,551
Retail trade	19,950	19,377	19,294	19,509	19,628	19,367	19,343	19,338	19,294	19,185
General merchandise stores	2,644.9	2,306.5	2,339.4	2,457.1	2,470	2,367	2,369	2,362	2,325	2,292
Food stores	3,286.0	3,216.7	3,229.1	3,256.1	3,243	3,232	3,227	3,226	3,219	3,214
Automotive dealers and service stations	2,069.0	2,053.2	2,045.8	2,037.2	2,070	2,038	2,038	2,035	2,038	2,037
Eating and drinking places	6,554.5	6,700.6	6,538.8	6,504.6	6,596	6,578	6,563	6,569	6,558	6,544
Finance, insurance, and real estate	6,716	6,707	6,678	6,681	6,740	6,688	6,687	6,692	6,698	6,702
Finance	3,295	3,280	3,269	3,277	3,301	3,275	3,276	3,283	3,282	3,280
Insurance	2,122	2,118	2,117	2,118	2,128	2,122	2,123	2,122	2,123	2,124
Real estate	1,299	1,309	1,292	1,286	1,311	1,291	1,288	1,287	1,293	1,298
Services	28,501	29,024	29,110	29,042	28,525	28,733	28,831	28,937	29,023	29,062
Business services	5,327.7	5,416.2	5,469.4	5,408.6	5,287	5,280	5,321	5,336	5,379	5,360
Health services	7,990.7	8,320.5	8,358.4	8,394.2	7,997	8,249	8,289	8,321	8,367	8,403
Government	18,754	18,164	18,705	18,851	18,355	18,420	18,414	18,424	18,460	18,451
Federal	2,969	2,973	2,971	2,973	2,966	2,963	2,967	2,979	2,986	2,988
State	4,471	4,263	4,426	4,450	4,345	4,338	4,337	4,328	4,322	4,325
Local	11,334	10,928	11,308	11,428	11,046	11,119	11,110	11,117	11,152	11,138

p/ = preliminary.

ESTABLISHMENT DATA

ESTABLISHMENT DATA

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

Industry	Not seasonally adjusted				Seasonally adjusted					
	Nov. 1990	Sept. 1991	Oct. 1991p/	Nov. 1991p/	Nov. 1990	July 1991	Aug. 1991	Sept. 1991	Oct. 1991p/	Nov. 1991p/
Total private	34.5	34.7	34.4	34.5	34.4	34.1	34.3	34.5	34.3	34.4
Mining	45.0	44.8	44.7	44.4	44.9	43.9	44.5	44.1	44.2	44.1
Construction	38.6	37.9	37.4	37.9	(2)	(2)	(2)	(2)	(2)	(2)
Manufacturing	40.8	41.4	41.1	41.2	40.6	40.7	41.0	41.0	40.9	40.9
Overtime hours	3.8	4.2	3.9	4.0	3.5	3.7	3.8	3.7	3.7	3.8
Durable goods	41.3	41.8	41.6	41.6	41.1	41.2	41.4	41.5	41.3	41.3
Overtime hours	3.7	4.1	3.9	3.9	3.5	3.7	3.8	3.7	3.7	3.7
Lumber and wood products	39.4	40.9	40.4	40.3	39.5	40.0	40.2	40.5	40.0	40.5
Furniture and fixtures	38.9	39.9	39.5	39.0	38.5	39.2	39.1	39.1	39.1	38.7
Stone, clay, and glass products	42.1	42.6	42.4	41.8	41.8	41.9	41.6	42.0	41.8	41.4
Primary metal industries	42.9	43.1	42.7	42.7	42.7	42.6	43.0	42.8	42.7	42.4
Blast furnaces and basic steel products	43.9	44.0	43.4	43.3	43.6	43.1	43.9	43.7	43.6	43.0
Fabricated metal products	41.5	42.0	41.8	41.7	40.8	41.3	41.6	41.7	41.6	41.5
Industrial machinery and equipment	42.0	42.3	41.8	42.1	41.8	41.6	42.0	42.1	41.8	41.9
Electronic and other electrical equipment	41.1	41.0	40.7	41.5	40.7	40.7	40.8	40.7	40.5	41.1
Transportation equipment	41.4	42.8	42.8	42.2	41.1	42.3	42.4	42.5	42.5	42.2
Motor vehicles and equipment	40.9	44.0	43.8	42.5	41.0	43.6	43.3	43.0	43.1	42.2
Instruments and related products	41.4	41.3	40.9	41.5	41.0	40.6	41.0	41.5	40.9	41.1
Miscellaneous manufacturing	40.2	40.5	40.4	40.4	39.6	39.6	40.1	40.2	39.9	39.7
Nondurable goods	40.2	40.8	40.6	40.8	39.9	40.1	40.4	40.3	40.4	40.4
Overtime hours	3.8	4.2	4.0	4.1	3.6	3.7	3.8	3.7	3.8	3.9
Food and kindred products	41.1	41.4	41.0	41.2	40.7	40.4	40.5	40.6	40.7	40.8
Tobacco products	40.5	40.5	40.2	38.4	(2)	(2)	(2)	(2)	(2)	(2)
Textile mill products	39.7	41.8	41.6	41.8	39.3	41.0	41.4	41.5	41.3	41.5
Apparel and other textile products	36.6	37.5	37.6	37.5	36.3	37.0	37.3	37.3	37.4	37.2
Paper and allied products	43.8	43.8	43.6	44.1	43.5	43.5	43.5	43.4	43.4	43.7
Printing and publishing	38.1	38.1	37.9	38.3	37.8	37.6	37.8	37.6	37.8	38.0
Chemicals and allied products	42.9	43.2	43.1	43.7	42.6	42.6	43.2	43.2	43.2	43.4
Petroleum and coal products	44.0	44.6	43.9	42.7	(2)	(2)	(2)	(2)	(2)	(2)
Rubber and misc. plastics products	41.0	41.5	41.6	41.5	40.8	41.1	41.4	41.2	41.4	41.5
Leather and leather products	36.7	37.9	37.2	37.7	36.8	37.7	37.3	37.7	37.1	38.1
Transportation and public utilities	38.8	39.1	38.8	38.6	38.7	38.4	38.7	38.9	38.6	38.6
Wholesale trade	38.0	38.4	38.2	38.1	38.0	37.9	38.2	38.2	38.1	38.1
Retail trade	28.4	28.8	28.5	28.5	28.7	28.4	28.6	28.8	28.5	28.8
Finance, insurance, and real estate	35.6	36.1	35.5	35.6	(2)	(2)	(2)	(2)	(2)	(2)
Services	32.4	32.6	32.4	32.4	32.5	32.2	32.4	32.6	32.4	32.5

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

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

p = preliminary.

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

Industry	Average hourly earnings				Average weekly earnings			
	Nov. 1990	Sept. 1991	Oct. 1991p/	Nov. 1991p/	Nov. 1990	Sept. 1991	Oct. 1991p/	Nov. 1991p/
Total private	$10.16	$10.46	$10.44	$10.46	$348.49	$362.96	$359.14	358.78
Seasonally adjusted	10.13	10.41	10.40	10.44	348.47	359.15	356.72	359.14
Mining	13.82	14.35	14.12	14.20	621.90	642.88	631.16	630.48
Construction	13.87	14.15	14.14	13.95	529.83	551.85	552.87	524.52
Manufacturing	10.96	11.27	11.25	11.30	447.17	466.58	462.38	465.56
Durable goods	11.47	11.89	11.87	11.89	473.71	497.00	493.79	494.62
Lumber and wood products	9.11	9.41	9.37	9.36	358.93	384.87	378.55	377.21
Furniture and fixtures	8.63	8.88	8.85	8.84	325.71	356.31	349.58	344.76
Stone, clay, and glass products	11.22	11.44	11.42	11.45	472.36	487.34	484.21	478.61
Primary metal industries	13.13	13.51	13.48	13.52	563.28	582.28	575.60	577.30
Blast furnaces and basic steel products	15.09	15.55	15.58	15.62	662.45	684.20	676.17	676.35
Fabricated metal products	10.95	11.33	11.31	11.33	452.24	475.86	472.76	472.64
Industrial machinery and equipment	11.97	12.24	12.26	12.28	502.74	517.75	512.47	516.99
Electronic and other electrical equipment	10.52	10.84	10.75	10.85	432.37	444.44	437.53	450.28
Transportation equipment	14.20	15.06	15.08	15.07	587.88	644.57	645.42	635.93
Motor vehicles and equipment	14.59	15.66	15.60	15.66	596.73	689.04	683.28	657.05
Instruments and related products	11.48	11.74	11.76	11.79	475.27	484.86	480.98	489.29
Miscellaneous manufacturing	8.66	8.90	8.86	8.90	348.13	358.67	357.94	359.56
Nondurable goods	10.29	10.49	10.47	10.55	413.66	427.99	425.08	430.44
Food and kindred products	9.74	9.86	9.85	10.01	400.31	408.20	403.85	412.41
Tobacco products	16.51	16.05	16.09	17.02	665.35	646.01	646.82	653.57
Textile mill products	8.13	8.42	8.40	8.46	322.76	351.96	349.44	353.63
Apparel and other textile products	6.63	6.86	6.81	6.81	242.66	257.25	256.96	255.33
Paper and allied products	12.53	12.80	12.80	12.89	548.81	560.64	558.08	568.45
Printing and publishing	11.38	11.65	11.64	11.61	433.58	443.87	441.16	444.06
Chemicals and allied products	13.75	14.21	14.25	14.38	589.88	613.87	614.18	628.61
Petroleum and coal products	16.59	17.16	17.14	17.28	763.14	765.34	752.45	737.86
Rubber and misc. plastics products	9.92	10.16	10.15	10.22	406.72	421.64	422.24	424.13
Leather and leather products	6.99	7.18	7.19	7.25	256.53	272.12	267.47	273.33
Transportation and public utilities	13.09	13.32	13.29	13.34	507.89	520.81	515.65	514.92
Wholesale trade	10.93	11.24	11.18	11.25	415.34	431.62	427.08	428.63
Retail trade	6.86	7.07	7.07	7.12	194.82	203.62	201.50	202.92
Finance, insurance, and real estate	10.12	10.53	10.48	10.53	360.27	380.13	372.04	374.87
Services	10.02	10.33	10.33	10.39	324.65	336.76	334.69	336.64

1/ See footnote 1, table B-2. p = preliminary.

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

Industry	Nov. 1990	July 1991	Aug. 1991	Sept. 1991	Oct. 1991p/	Nov. 1991p/	Percent change from: Oct. 1991-Nov. 1991
Total private:							
Current dollars	$10.13	$10.36	$10.40	$10.41	$10.40	$10.44	0.4
Constant (1982) dollars2/	7.43	7.47	7.49	7.47	7.46	N.A.	(3)
Mining	13.88	14.24	14.27	14.34	14.22	14.29	.5
Construction	13.85	14.01	14.07	14.04	14.05	13.94	-.8
Manufacturing	10.96	11.22	11.25	11.25	11.26	11.30	.4
Excluding overtime4/	10.50	10.74	10.76	10.76	10.77	10.80	.3
Transportation and public utilities	13.07	13.26	13.30	13.27	13.25	13.32	.6
Wholesale trade	10.93	11.14	11.22	11.25	11.20	11.25	.4
Retail trade	6.83	7.05	7.04	7.05	7.06	7.10	.5
Finance, insurance, and real estate	10.12	10.48	10.47	10.55	10.48	10.54	.6
Services	9.98	10.25	10.30	10.32	10.29	10.35	.6

1/ See footnote 1, table B-2.

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

3/ Change was -.04 percent from September 1991 to October 1991, the latest month available.

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

N.A. = not available

p = preliminary.

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

(Percent)

Time span	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept	Oct.	Nov.	Dec.
	Private nonfarm payrolls, 356 industries 1/											
Over 1-month span:												
1989	64.5	59.0	58.7	53.9	52.7	53.8	52.9	54.6	49.2	56.6	59.6	52.1
1990	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1991	38.5	36.9	38.6	38.5	51.1	45.8	51.3	54.8	50.0	p/48.2	p/44.0	
Over 3-month span:												
1989	67.6	65.2	61.1	56.2	54.5	53.9	54.9	52.5	55.9	56.0	55.8	59.1
1990	58.8	59.0	54.4	50.7	48.7	49.4	45.6	43.7	40.0	37.4	35.8	35.1
1991	31.6	30.8	30.3	38.3	39.5	48.9	51.7	52.9	p/49.2	p/44.1		
Over 6-month span:												
1989	67.7	65.0	63.3	59.0	56.5	53.4	54.5	55.9	53.8	58.1	57.9	59.1
1990	56.6	55.2	55.2	51.8	47.6	44.9	42.7	38.6	37.2	34.8	30.9	28.8
1991	26.7	31.2	29.5	34.3	41.2	45.8	p/49.4	p/46.3				
Over 12-month span:												
1989	65.3	65.2	62.2	61.5	61.5	59.6	57.6	56.7	55.8	56.0	55.5	55.6
1990	54.6	54.5	51.4	48.3	46.6	43.5	40.3	35.8	34.1	30.6	32.0	30.2
1991	30.2	30.6	30.3	p/32.9	p/32.9							
	Manufacturing payrolls, 139 industries 1/											
Over 1-month span:												
1989	58.6	50.7	48.9	47.5	47.1	44.2	44.2	45.7	38.8	48.2	48.6	45.3
1990	46.0	51.1	41.4	47.8	41.7	39.6	43.2	40.3	38.8	34.5	27.3	33.8
1991	31.7	28.4	29.9	38.5	46.8	46.0	53.2	53.2	43.5	p/46.4	p/42.1	
Over 3-month span:												
1989	56.5	54.3	49.3	43.5	42.8	42.1	40.3	36.3	39.9	41.0	41.0	41.7
1990	45.0	43.2	45.0	38.1	38.1	37.4	35.6	31.3	27.0	23.0	21.6	18.3
1991	19.4	16.5	18.0	30.2	36.3	48.9	57.2	55.0	p/46.0	p/38.8		
Over 6-month span:												
1989	57.9	51.8	48.6	45.0	41.7	38.1	38.1	38.1	35.6	38.8	39.6	39.6
1990	39.9	36.7	37.1	40.3	32.4	30.6	24.1	20.5	21.2	17.3	16.2	11.9
1991	10.4	17.3	19.4	23.4	38.5	43.5	p/50.0	p/47.5				
Over 12-month span:												
1989	53.6	56.1	51.8	46.4	44.6	41.7	38.1	35.3	34.9	36.3	32.4	32.7
1990	35.3	33.5	31.3	29.5	25.2	20.9	19.8	14.0	12.9	10.1	11.2	10.4
1991	13.3	14.7	14.7	p/18.3	p/21.6							

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

p = preliminary.

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

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers1/ on private nonfarm payrolls by industry

(1982=100)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Nov. 1990	Sept. 1991	Oct. 1991p/	Nov. 1991p/	Nov. 1990	July 1991	Aug. 1991	Sept. 1991	Oct. 1991p/	Nov. 1991p/
Total private	123.5	123.8	122.7	122.0	122.9	120.7	121.5	122.3	121.5	121.4
Goods-producing industries	108.5	108.1	107.0	104.7	106.8	103.8	104.4	104.4	104.1	102.9
Mining	66.6	62.9	62.1	61.4	65.3	62.5	62.2	60.9	60.6	60.1
Construction	136.7	135.7	134.3	122.6	132.9	123.8	123.3	124.9	124.4	118.6
Manufacturing	105.2	105.1	104.1	103.8	104.0	102.3	103.2	102.9	102.6	102.5
Durable goods	103.1	101.6	100.7	100.2	102.1	99.6	100.3	100.0	99.4	99.0
Lumber and wood products	123.0	126.8	123.8	122.3	123.6	121.3	122.1	122.4	121.5	123.0
Furniture and fixtures	120.3	119.8	118.8	116.8	118.0	113.5	116.5	116.3	116.2	114.7
Stone, clay, and glass products	108.5	106.2	105.5	102.4	106.4	101.6	101.6	102.6	102.1	99.9
Primary metal industries	92.0	89.0	87.2	86.6	91.4	87.8	88.8	87.9	87.1	85.8
Blast furnaces and basic steel products	82.6	78.3	75.7	75.3	83.1	76.2	78.0	77.7	76.7	74.9
Fabricated metal products	106.3	106.6	104.1	103.5	104.6	102.1	102.9	103.1	102.8	101.5
Industrial machinery and equipment	95.6	91.3	90.0	89.9	95.2	90.3	91.3	91.3	90.2	89.5
Electronic and other electrical equipment	105.6	101.8	101.2	102.6	103.7	101.4	101.5	100.6	100.0	101.2
Transportation equipment	111.6	115.9	115.1	113.2	111.8	113.9	114.7	113.5	113.3	112.8
Motor vehicles and equipment	113.1	131.8	130.1	126.2	110.5	128.6	128.6	126.6	125.7	125.1
Instruments and related products	86.6	83.0	82.1	83.7	85.2	82.3	82.6	82.6	81.5	82.4
Miscellaneous manufacturing	103.6	101.8	103.6	103.2	100.2	98.4	99.2	99.5	99.9	99.4
Nondurable goods	108.3	110.1	109.0	108.8	106.7	106.0	107.2	107.0	107.1	107.3
Food and kindred products	112.8	120.8	116.2	113.7	110.3	109.0	111.4	111.3	111.1	111.4
Tobacco products	75.3	77.4	76.2	69.5	70.7	69.7	74.5	71.1	69.0	65.3
Textile mill products	96.2	100.6	100.3	100.5	95.0	98.0	98.7	98.5	99.0	99.3
Apparel and other textile products	92.7	95.9	97.1	97.0	91.0	94.2	94.5	94.7	95.5	95.1
Paper and allied products	111.6	111.6	111.0	112.3	110.5	109.7	110.5	110.2	110.0	111.0
Printing and publishing	128.2	123.5	122.9	124.6	124.4	122.6	122.9	122.6	122.8	123.2
Chemicals and allied products	104.3	102.7	101.9	103.3	104.1	100.9	102.9	102.4	102.5	103.0
Petroleum and coal products	91.2	88.9	86.8	82.8	90.3	85.4	86.4	86.3	84.5	81.4
Rubber and misc. plastics products	126.6	125.4	126.3	125.8	125.1	122.5	124.1	123.7	124.7	124.4
Leather and leather products	58.7	57.9	56.2	56.9	58.5	57.3	56.1	56.8	55.3	56.8
Service-producing industries	130.2	130.8	129.7	129.8	130.1	128.2	129.2	130.3	129.3	129.7
Transportation and public utilities	116.4	117.0	116.2	116.0	115.2	113.5	114.5	115.3	114.5	114.7
Wholesale trade	115.8	114.5	113.8	113.2	115.8	112.9	113.4	113.6	113.1	112.9
Retail trade	123.5	121.0	119.1	120.5	122.7	119.3	120.1	120.9	119.2	119.7
Finance, insurance, and real estate	119.5	120.6	118.2	118.5	120.2	117.9	119.0	120.4	118.1	119.3
Services	146.2	149.7	149.2	148.7	146.7	146.4	147.8	149.2	148.9	149.3

1/ See footnote 1, table B-2.

p = preliminary.

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

Let me focus, first of all, on the unusually slow growth in the labor force. By what factor is the labor force growing less than you would expect it to grow? Is it growing about half of what you would have expected? A third? Two-thirds? By what factor?

MRS. NORWOOD. Well, I did indicate in my statement one approach to look at it. Another approach might be that, during the 1970s, as we saw the baby-boom generation moving into the labor force, we had an average increase in the labor force of about 2.4 million.

During the 1980s, we had a slower growing labor force, and the average each year was about 2 million.

In the 1990s, thus far, we're probably at about half a million.

SENATOR SARBANES. Only half a million.

MRS. NORWOOD. About half a million.

SENATOR SARBANES. At the beginning of this year, what would you have projected the labor force growth to be, given these past historical figures and given what you knew about demographic changes?

MRS. NORWOOD. We clearly would have expected a drop in the labor force because of the declining number of young people resulting, of course, from a drop in birth rates some years ago.

SENATOR SARBANES. So, you would have expected it to be down from the 2 million figure.

MRS. NORWOOD. Yes, clearly.

SENATOR SARBANES. What would you have expected it to be?

MRS. NORWOOD. Well, I don't have a specific figure. I suppose that if you were to look at this progression, as I did from the 1970s to the 1980s, that you probably would have expected a million to a million and a half.

SENATOR SARBANES. If it had grown a million and a half——

MRS. NORWOOD. A million is probably closer, 1.2 million.

SENATOR SARBANES. All right. 1.2 million? If it had grown at that rate instead of 500,000, what would the unemployment figure be?

MRS. NORWOOD. Well, if we were to assume that we had the same rate of labor-force participation that we had in the last two recessions, we would have had—and all other things were equal, which is a very big if—another point in the unemployment rate.

SENATOR SARBANES. A full point?

MRS. NORWOOD. 7.8 instead of 6.8, if one looks at it in that way.

Now, one has to be careful about that because different groups of the population interact with each other in the labor market.

SENATOR SARBANES. I know, but something is obviously happening out there. We were averaging 2 million growth in the labor force, and all of a sudden, this year, it is down to 500,000.

MRS. NORWOOD. Yes.

SENATOR SARBANES. So, a lot of people who would ordinarily be in the labor force have absented themselves from the labor force, I assume, because economic conditions are so difficult.

Is that a reasonable view?

MRS. NORWOOD. It is usual for labor-force participation to decline somewhat during a recession. We've discussed before some of the changes that have occurred. Some of it is population. That's expected, and it's particularly true of the young group.

But in addition, we're seeing for teenagers a drop in labor-force participation. We're seeing a leveling off of labor-force participation rates for the first time in decades for women, and the continuation of a long-term downward trend of decline in labor-force participation rates for older men.

SENATOR SARBANES. If we would have had the figure you expected, we would be at 7.8 percent unemployment.

Then, there is a question regarding discouraged workers. Do we have to take them into account, too? I am trying to get at the overall unemployment rate, factoring in everything else.

Where are we on discouraged workers?

MRS. NORWOOD. Well, we have about a million discouraged workers.

SENATOR SARBANES. That is pretty high for discouraged workers?

MRS. NORWOOD. Yes.

SENATOR SARBANES. If you add them in, what would the unemployment rate be?

MRS. NORWOOD. Well, as you know, we have an unemployment rate that includes both the discouraged workers and half of the part-time for economic reasons. And that rate would be just slightly over 10 percent.

That's U-7 in Table A-7 of our release.

SENATOR SARBANES. 10.1 percent.

MRS. NORWOOD. That's correct.

SENATOR SARBANES. Now, that rate does not include this labor-force drop that you were talking about, does it?

MRS. NORWOOD. Only to the extent that the discouraged workers are included who say that they really want to have a job, but aren't looking because they don't think one is available.

So, it does include most of those people.

SENATOR SARBANES. How many people are working part-time?

MRS. NORWOOD. A total of about 21 million.

SENATOR SARBANES. Total?

MRS. NORWOOD. Yes. There are 15 million people who are working part-time because that's what they want to do. And there are about 6.5 million additional who are working part-time, but who really want full-time work and can't find it.

SENATOR SARBANES. So, there are about 21 million people working part-time. About two-thirds of them want to work part-time.

MRS. NORWOOD. That's right.

SENATOR SARBANES. About one-third of them—not quite 7 million, 6.5 million—want to work full time, but they cannot find a full-time job, so they are working part-time.

When you use the phrase part-time, what is the definition of a part-time job?

MR. PLEWES. Our cutoff is 35 hours per week. Full-time is 35 hours or more. Part-time is less than 35 hours.

SENATOR SARBANES. Less than 35.

MR. PLEWES. A week, yes, sir.

SENATOR SARBANES. But is there a bottom cut off on part-time?

MR. PLEWES. No, sir.

SENATOR SARBANES. So, if someone is only working a few hours a week, they are considered as working part-time? They may want a 40-hour-a-week job, and if somehow they are able to come up with 4, 5 or 6 hours of work, they are considered as working part-time.

Is that correct?

MR. PLEWES. Yes, sir.

SENATOR SARBANES. Do you have any way of measuring how many of the people working part-time work 10 hours or less, 10 to 20 hours, 20 to 30 hours?

MR. PLEWES. I have that if I can just take a second to look it up in the book.

MRS. NORWOOD. You will recall, Mr. Chairman, that that issue has been raised every time there have been commissions looking at the concepts and definitions of unemployment that we use as to whether to include part-time workers or not.

And each presidentially appointed commission—the last one headed by Sar Levitan—has recommended the continuation of the current treatment.

SENATOR SARBANES. Yes. I am not necessarily taking issue with that, but I just want to make it clear that the official unemployment figure that is used does not include the part-time people, and that in order to give a complete picture of what the extent of unemployment is, one has to develop these other dimensions.

You provide those figures, so we have the full range.

MRS. NORWOOD. Yes, we do.

SENATOR SARBANES. But the public focus has always been on the so-called official unemployment rate which excludes from it the discouraged workers and also excludes people working part-time who want to work full-time.

So, it does not give a complete picture. In fact, a complete picture would show an unemployment rate that is above 10 percent.

Yes?

MR. PLEWES. The average hours of those persons who are working part-time for economic reasons is about 25 hours.

SENATOR SARBANES. Right.

MR. PLEWES. If you look at the distribution of persons who are working part-time, you find that about 1 percent of them are working 1 to 4 hours, 4 percent are working 5 to 14 hours, 13 percent are working 15 to 29 hours, and about 11 percent are working from 30 to 34 hours. So, the bulk are working in the 15- to 29-hour range. Those persons who are working part-time for economic reasons work about 25 hours a week, on average.

SENATOR SARBANES. OK. So, they are working about half-time.

MRS. NORWOOD. And that's why U-7 includes half of the part-time for economic reasons, because the average seems to be about half.

SENATOR SARBANES. I have some other questions, but I will defer to Congressman Obey, and we can trade back and forth as we proceed.

REPRESENTATIVE OBEY. Well, Doctor, let me again thank you for coming. And let me say, before I get into a few questions, I think you have been incredibly valuable to the U.S. Government and to the American public in your years of service, because, while I think we've seen a tremendous erosion of confidence in a lot of governmental institutions, and I think we've seen a considerable growth in the lack of faith in the kind of information that we're getting from an awful lot of sources, especially sources within the government—we had a recent confirmation hearing with respect to the CIA directorship, which I think really demonstrated the lack of confidence or the decline in confidence that not only the Congress, but the public as well, has had in the kind of ... what was supposed to be neutral, objective information coming out of the CIA, and that's certainly been replicated in a number of other agencies—your agency has been very much an exception to that general rule, and I think it's in no small part due to your own dedication and integrity. I think that's one of the reasons these numbers are so important, because when we hear them from your agency, we understand that what we're getting is the straight stuff, unencumbered by ideological wishing or hoping or anything else.

Let me simply make an observation and then ask a question.

I think most people understand that this economy has both a short-term demand problem and a long-term growth and investment problem. If you take a look at the short-term problem that we're facing, you take a look at today's unemployment numbers, you take a look at what's happening in various sectors with your month-to-month changes in unemployment numbers, these numbers also, I think, tell us something about our long-term problems, as well.

Let me ask you, the average length of unemployment, the duration of unemployment has obviously increased dramatically since this recession began.

How many weeks was the average person who was looking for work out of a job before this recession began, and how many weeks is the average person now out of a job before they find one in this recession?

MR. PLEWES. At the onset of the recession, the average was about 11½ to 12 weeks. Right now, it's up to 15 weeks.

REPRESENTATIVE OBEY. And what's happened to the number of persons who have been unemployed 6 months or longer?

MRS. NORWOOD. That's gone up. Do you have those figures at the beginning?

MR. PLEWES. Yes. It's somewhat more than doubled. It was about 650,000 at the beginning of the recession. It's now 1.3 million.

REPRESENTATIVE OBEY. We focused this morning on what's happening in retail because there has been a significant drop this morning. And obviously, that's important, especially to people whose jobs have been lost.

What concerns me even more is what is happening long-term in the manufacturing sector, in the factory job area.

When I graduated from high school, the expectation for a lot of kids who graduated with me was that they were going to be able to go downtown, get a job at Broco papermill, or Rothchild papermill, or go to one of the other manufacturing plants, get a good, long-term job which they'd be able to hold onto for 40 years, and then retire.

Things have changed a lot since then.

With manufacturing jobs, you say that there was a decline of 32,000 this month for factory jobs?

MRS. NORWOOD. Yes. Probably a little less than that. There were some 8,000 people on strike who would be off the payroll. And I did mention the seasonal adjustment issue.

But manufacturing has been extremely sluggish. There's no doubt about that.

SENATOR SARBANES. Could I just interject?

REPRESENTATIVE OBEY. Sure.

SENATOR SARBANES. This chart shows the number of persons unemployed 27 weeks or longer. This is beginning in June 1990, and you can see it moved up. Then, it seemed to level out and even start down a little bit. Then we have had this tremendous jump again in the number of persons unemployed 27 weeks or longer. (See chart on following page.)

So, you can see the very problem you were asking about in graphic form, in terms of its development. Actually, this chart had been made up and then we added the last month. So, we needed a higher scale. It has gone through our chart, so to speak. There has been a very sharp rise this last month.

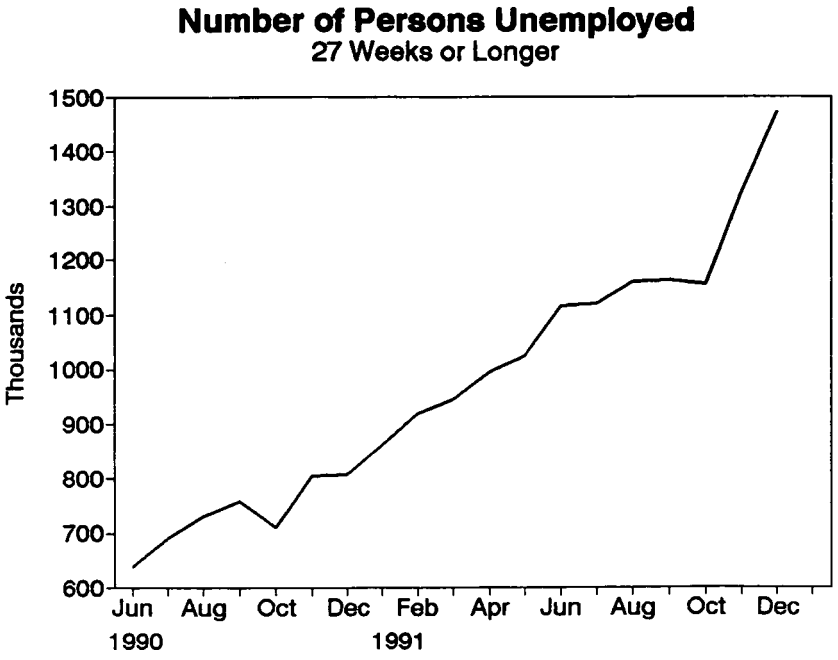
Is that correct?

MRS. NORWOOD. Yes, that's right. 180,000.

SENATOR SARBANES. That gives you some measure of the severity of this problem.

REPRESENTATIVE OBEY. Let me ask you, because I want to get into the long-term problems we face. You said that the number of factory jobs was down 100,000, over what period of time?

MRS. NORWOOD. Since August.



REPRESENTATIVE OBEY. Well, let me ask you this question. As you know, the impact of our long-term economic changes has fallen tremendously unevenly in this economy. If you're a college-educated worker working in the front office or working in the president's office, you don't have a major problem, on average, although this recession has been very different in one respect, because we have seen, and this has distinguished it from other recessions, a squeeze and a decline in white-collar jobs, as well.

But if you take a look at college educated, high school educated and high school dropouts, in terms of income, say, over the past 10 years, college-educated workers have kept up roughly a little bit ahead. High school graduates have had a significant decline, in terms of their real income. And if you're a high school dropout, you haven't just lost ground, there isn't any ground under you.

MRS. NORWOOD. That's right.

REPRESENTATIVE OBEY. They've just fallen off the cliff.

Let me ask you. In the 1970s, what percent of work force entrants with high school educations could expect to find jobs in factories or in manufacturing? And how does that compare with today?

MRS. NORWOOD. We don't have data that look at things in quite that way, at least not very readily available. But I can tell you about young workers in manufacturing, say 18 to 24.

In 1970, about a quarter of them worked in manufacturing. In 1990, only slightly over 14 percent worked in manufacturing.

REPRESENTATIVE OBEY. And if these trend lines continue, roughly what percentage do you think we could expect to show by the end of the decade?

MRS. NORWOOD. I would guess that it would be a much smaller proportion, because we have just released our projections to the year 2005. And there, we are expecting a decline in manufacturing jobs, a continuation of the trend that has occurred, a shifting in the economy of roughly two-tenths of a percent a year.

That's overall, and I would expect that younger people would have a harder time than others in that.

REPRESENTATIVE OBEY. Are you saying that it could be down below 12 percent, approaching?

MRS. NORWOOD. Well, of young people, I suppose that it could by the end of the century and beyond.

If you look at the manufacturing work force itself, about 16 percent in 1970 were young people defined as 18- to 24-year-olds. In 1990, youth constituted about 11 percent of the factory work force.

We expect that the factory work force will be declining some. We don't know exactly how much. And if that trend were to continue, I believe that what would happen is that the younger people would have a harder time, particularly people without very much education, because even in the Nation's factories, we are changing the kinds of jobs that are being developed to require much more technical and professional education.

SENATOR SARBANES. Does that trend in the decline in manufacturing jobs characterize economies abroad, as well as our own economy?

MRS. NORWOOD. I would want to look at that country-by-country. In general, there has been in many of the developed economies a shift toward services.

SENATOR SARBANES. But nowhere near the rate that it is taking place in this country.

Isn't that correct? I think, if one looked at Germany or Japan—Congressman Obey says especially Japan—while you may have some shift toward services, it is nothing like the trend in this country, and they still are providing significantly higher job opportunities in manufacturing to their young people than are available in the United States.

MRS. NORWOOD. That is probably correct. As I said, I haven't looked at the numbers.

The service-producing sector, as I'm sure you're well aware, is very varied and has some jobs that are as good as or better than manufacturing. It also has some jobs that are not.

So, the issue really is jobs, not whether it's in manufacturing or in services.

SENATOR SARBANES. In a statistical sense, that may be the case. There are some of us who think that you cannot sustain a service economy without a manufacturing base. If you lose your manufacturing base altogether, or close to it, you have essentially weakened the underlying economy.

I think most analysis supports this because the service opportunities seem to move where the manufacturing is.

It used to be the English were going to do the services. They were going to provide insurance and banking and legal and all the rest of it, and someone else was going to do the manufacturing. So, they were losing their manufacturing base, but they said, do not worry about it. The City of London will sustain our economy.

The next thing they discovered is that these services—insurance, banking, law, and all the rest of it—were moving with the manufacturing. All of a sudden, the Japanese and the Germans, who were getting the manufacturing, were getting the services as well.

MRS. NORWOOD. It's one thing to look at employment in manufacturing, it's another thing if we're looking at the country as a whole, to look at production and output of manufacturing. And there has not been as great a decline in output of manufacturing as there has been in employment.

REPRESENTATIVE OBEY. I guess, regardless of which sector you look at, we're in trouble.

I remember being on the Budget Committee in 1980 and 1981 and 1982, and I remember being told by the then-Reagan Administration Treasury Department people that, well, yes, it was true that we were in trouble in manufacturing, and it was true that we were in trouble on the low end of the scale, but we were going to make it up especially in our exports, and we were going to close our trade deficit because of what we were going to be able to do in high-tech.

Within 4 years, not only were we not doing that, we had a trade deficit in high-tech. And certainly, we had it in electronics. So, I think we have long-term problems almost all across the board.

Just one last question. Can you give us again, for the record, what have the numbers been in this recession with respect to white-collar workers. Because, while it's certainly true that in many recessions that it's production workers who get crunched early and often, we have seen a much larger percentage of the problem this time around in the white-collar sector.

So, it isn't just factory workers. It's not the traditional blue-collar crunch. It's more pervasive across the job sector.

What have the numbers been there, again?

MRS. NORWOOD. If we look at July 1990, when the National Bureau of Economic Research identified the beginning of the recession to the current month of November, blue-collar occupations have gone down about 1.1 million.

White-collar occupations have gone down about 210,000. But that's because there have also been some employment increases. And I think it's important to note that the technical, sales and administrative support occupations—and I would point out particularly to the sales part because of what's happened to retail trade—have lost 625,000 jobs.

If we look at the unemployment rate for those groups, you find that the change over that 16-month period has been 2 percentage points up for blue-collar workers and 1 percentage point up for white-collar workers.

So, that it is a broader-based effect.

REPRESENTATIVE OBEY. Well, let me ask, because we saw in the *Post*, I think it was the day before yesterday or yesterday, there was a headline on November 29 in the *Wall Street Journal* that said, "Unlike Past Recessions, This One is Battering White-Collar Workers That Lack Union Safety Nets: May Face Unemployment for First Time in Lives."

How do the employment and unemployment figures for white-collar workers in this recession compare with the last two recessions?

MRS. NORWOOD. In general, particularly because of what has happened to retail trade and to some of the other services industries, white-collar workers have had a decline in employment in this recession. In the 1981 recession, 16 months after it began, white-collar workers had increased by 800,000, and the same is true in 1973.

So, there is a big difference.

REPRESENTATIVE OBEY. And do you have any views as to why?

SENATOR SARBANES. Could I be clear on that?

MRS. NORWOOD. Yes.

SENATOR SARBANES. In the other two recessions, job opportunities for white-collar workers went up during the recession?

MRS. NORWOOD. Yes, because employment in the service-producing sector generally was not affected very much by recession.

In this recession, the service-producing sector is affected, not as much as the blue-collar occupations or the manufacturing sector, of course, but it has been affected, clearly. And that's one of the reasons that there is a more widespread effect.

In the blue-collar occupations, the factory employment tends to be more concentrated in the country in particular geographic areas. And although there has been some reduction of jobs of white-collar people in manufacturing, the effect over the last 16 months in retail trade has been more widespread geographically, and, therefore, I think people are seeing this much more.

Now, I hasten to add that one cannot characterize the last 16 months as being primarily white collar. Some people do that. That's not true. Blue-collar workers have been hit. Factories have lost employment, even before July 1990, and that has continued.

REPRESENTATIVE OBEY. Let me ask, what's the average duration of unemployment for white-collar workers, and how does that compare to blue-collar workers?

MRS. NORWOOD. I don't have that here.

REPRESENTATIVE OBEY. And would you also have any information on how that might have changed this recession versus others?

MRS. NORWOOD. We can provide that for the record. I think we have it, but we don't have it with us. So, I think it would be better to provide that for the record.

REPRESENTATIVE OBEY. Given the fact that blue-collar workers are often more unionized than white-collar workers, and as the *Wall Street Journal* article pointed out, when blue-collar workers lose their jobs, they do have an opportunity to at least fall back on help that they can get from the union, if not in terms of being able to find work, at least in terms of being able to take advantage of counselling services or other things that unions may sometimes be able to provide.

Do you have any observations about the effect that unemployment has on white-collar workers, in terms of any special hardships that they might be incurring?

MRS. NORWOOD. First, Mr. Plewes has found the answer to your previous question.

REPRESENTATIVE OBEY. OK.

MR. PLEWES. These are the mean duration categories, the average durations by the major occupational groups.

For managers and professionals, the average is 19.0 weeks in November. For technical sales and administrative support, it's about 16.1 weeks. Service occupations, 13.2. Craft and other high-level blue collar, 15.3. Operatives and laborers, 15.4. And persons involved in farming, forestry and fishing, about 8.0.

So, the managers and professionals, when they lose their jobs, have a higher duration than the blue collars.

REPRESENTATIVE OBEY. Do you have any information on how that might compare with previous recessions?

MR. PLEWES. We don't have that with us.

REPRESENTATIVE OBEY. OK. All right. Did you want to respond to my last question or not?

MRS. NORWOOD. I think we can say that factory workers in the past, at least, particularly those in the larger establishments, have had fringe benefits and certain working standards.

I think that's true of many of the large establishments in the service-producing area, as well. But we have had more part-time workers in retail trade, for example, as establishments have remained open for longer periods. It is possible that those people have had, therefore, a somewhat harder time.

I would also point out that the recent work that the Employment and Training Administration sponsored, a supplement on unemployment insurance on the Current Population Survey that was reviewed and analyzed by the Urban Institute, has shown that union workers have, perhaps

because of assistance from unions, been more likely to apply for unemployment insurance than those who are not unionized.

REPRESENTATIVE OBEY. All right. Thank you, Mr. Chairman.

SENATOR SARBANES. Thank you. I have two lines of questions that I want to put to the Commissioner before we conclude this part of the hearing.

As I understand it, the Bureau of Labor Statistics periodically conducts studies of displaced workers who have lost their jobs because of mass layoffs or plant closings. I think your last study was in 1990, covering the previous 5 years.

As I understand it, focusing on workers who had been with their employers for at least 3 years, BLS found 4.3 million workers who had been displaced between 1985 and 1989. Of these workers, BLS found that by January 1990 that 30 percent of those displaced workers had still not found a job, and that almost 30 percent had found a new job that paid as much or more than the job they had lost.

In that survey of people who had suffered these mass layoffs or plant closings, 30 percent had not been able to find a job, 40 percent had found jobs at lesser pay, and only 28 percent have found a new job which paid as much or perhaps more than their prior job.

Is that a correct statement of your findings?

MRS. NORWOOD. Yes. That's a supplement to the Current Population Survey, which has been funded by the Employment and Training Administration. It's done every other year. That is what has been done in the past.

SENATOR SARBANES. We have never focused on that very much. But what it really says is that if you lose your job that there is less than a one-in-three chance that you are going to find a job that is comparable to what you had.

Is that correct?

MRS. NORWOOD. Over that time period, yes.

SENATOR SARBANES. That is a pretty long time period. In some instances, you are measuring people who had lost their job only 1 year or 2 years before instead of 4 or 5 years before.

MRS. NORWOOD. That's right.

SENATOR SARBANES. Now, would these percentages be even worse in a recession? Do people now face an even bleaker future? These were for the period 1985 to 1989, which was not a recessionary period.

MRS. NORWOOD. Well, clearly, there is less job creation—an actual net job loss—during a recession period.

SENATOR SARBANES. I want to talk a bit about the possibility that we are going to face a second downturn in the economy.

The Index of Coincident Indicators, which I cited earlier, show that the economy has been declining since July. The Consumer Confidence Index is down. The Purchasing Managers Index, retai' sales and industrial

production have all been flat. This is all consistent with the growing concern that we are having about a double-dip recession.

The initial claims for unemployment insurance have started back up again. This is a 4-week moving average. It went way up earlier in the year, then it came down. But now, it has started back up again. The last weekly figures were back up to about 450,000 or so?

MRS. NORWOOD. That was, in part, because they went down the week before because of the holiday period. So, they really were down very slightly—471,000.

SENATOR SARBANES. 471,000 for the week that ended November 23, a spurt of 57,000 over the previous week. But the previous week was an unusual week.

So, that was a misleading figure.

MRS. NORWOOD. Yes.

SENATOR SARBANES. In any event, here is the trend line going back up again. Now, given all of that, is there anything in the November employment or unemployment data to indicate that the recession has ended and that the economy is in a sustained recovery?

MRS. NORWOOD. One can't really determine that from the employment figures alone. If you look at them, we can see that retail trade certainly didn't do very well. You've talked about consumer confidence being down, and so that's not a great surprise.

I think employers are waiting to hire people. They may perhaps decide that they're going to expect a better Christmas. They may not.

Construction has been a serious problem. It has been in serious difficulty. And that's partly because of the oversupply of office buildings and some of the multifamily structures that we have.

There is some evidence, however, that single-family housing is beginning to pick up, in part, or is related to the lower interest rates.

SENATOR SARBANES. Let me ask about the construction industry.

Is that a skill that is easily transferrable into other aspects of construction? One of the things that is asserted when you try to do something about addressing a recession is that you cannot move from one sector to another sector very quickly.

Now, one of the problems in construction is an overbuilding of commercial office real estate. I assume, if there was an increase in public construction, roads and bridges, public buildings, hospitals and schools, is that an easily transferrable skill, as you keep your figures?

You do not see a problem in shifting. Construction workers who build commercial office buildings could easily shift into construction projects that would be publicly funded, could they not?

MRS. NORWOOD. Well, I don't think that the source of funding has much to do with the particular skill transferrability. I would expect that if a work team were putting up an office building that they could put up a town hall, which is another kind of office building, or a hospital, or a school.

There are certain skills, however, which are very specialized, and I'm not quite sure whether road building and bridge building, for example, is the same thing as office building.

SENATOR SARBANES. All right. But hospitals and schools, I think would be.

MRS. NORWOOD. Well, some of those things, certainly. There are a lot of skills that are transferable and some that are not, that are special skills.

SENATOR SARBANES. Do you find anything in the employment and unemployment data that you have provided this month that conflicts with the other evidence that I have cited that the economy may be weakening again?

MRS. NORWOOD. The November data certainly show some deterioration and sluggishness. There's no doubt about that.

SENATOR SARBANES. Is there any way to get any reading out of it about where the economy is heading?

MRS. NORWOOD. I don't think so. As I've said, I think that the areas that we want to pay attention to are retail trade, construction and exports. Those are the spots that can turn more.

A lot of this, of course, is dependent upon the extent of credit that will be out there and the amount of borrowing that occurs. And consumer confidence.

SENATOR SARBANES. Commissioner, we have worked very closely with you in trying to be of assistance in providing an adequate budget for the BLS. I particularly want to acknowledge publicly the invaluable assistance in that effort, the essential assistance of Congressman Obey.

MRS. NORWOOD. We're very grateful for the help that we have gotten.

SENATOR SARBANES. I think we have come through this budget with a good allocation for the BLS. We want you to be able to take some of those statistical initiatives, and, maybe, you could take just a moment or two to review what you think the Bureau might be able to do with the budget allocations that have now been enacted by the Congress.

MRS. NORWOOD. As you know, there are funds in the 1992 budget that has been enacted by the Congress for the Bureau to undertake two major initiatives.

One is to develop data on locality pay, since BLS is the service agent for the Federal Employees Pay Comparability Act. The 1992 budget did appropriate funds for that.

The other is the presidential initiative that was spearheaded by Michael Boskin to improve economic indicators. Those for the Bureau of Labor Statistics were largely in two major areas. One is the price area, to try to do more in improving quality adjustment to move into health pricing, particularly output price indexes for hospitals and then other areas of health care that I think are really extremely important, and to improve the producer-price index sampling so that we can keep things up to date, and to expand price indexes in the service-producing area.

In the employment/unemployment area, there is underway, partly in the budget and partly in the Boskin initiative, some funds to continue the redesign of the Current Population Survey, which is always done after decennial census.

This time, I believe, it is extremely important because we have done a lot of work with the cognitive laboratory that we've developed at BLS, which I know, Congressman Obey, we've discussed. And we have found that we can make a number of important changes in the questionnaire, which will make it clearer for people to respond, and I think we'll have better data.

That requires some investment because there has to be an overlap sample over a couple of years so that we'll know the differences between the data that are produced. And there also has to be an investment in technology because we need to have a computerized kind of questionnaire in order to do these things.

We hope to reduce the revisions in the Business Survey, and to improve our business establishment list, and to expand employment data in the service-producing area.

Now, having said all that, I cannot tell you exactly how much we are going to do because we haven't yet figured out what the specific results of the action is.

There was a cut; I've forgotten the number of millions. $35 million?

MR. PLEWES. $32 million.

MRS. NORWOOD. $32 million for the Secretary to allocate. We believe that our share is——

MR. PLEWES. $8.1 million.

MRS. NORWOOD. ——about $8.1 million. And so, clearly, that will have to be taken from some of these new initiatives because we have so reduced our base that we would be cutting samples and then using the other funds to replace them.

But there will still be some initiative there, and I would hope that this will continue in the future because I think it is terribly important.

I would also point out to you that, within the next 2 years, the Bureau should begin another revision of the Consumer Price Index, and we need to do more work in productivity.

And I can also tell you that our Employment Cost Index is really becoming an extremely important indicator. In fact, George Stelluto is here, who's just come back from a meeting in Luxembourg of the European communities, who have decided that they need such a measure. He's been advising them about how to go about that. The Eastern Europeans are interested in wage data. We could use some expansion in that kind of work.

So, we are very, very grateful for the years of support that both of you have provided to us. I just want to emphasize that we will need you in the future, too.

SENATOR SARBANES. Anything you want to add?

REPRESENTATIVE OBEY. No. I would simply like to add to that point that I have appreciated the information we have received from your agency and the help that we got from Senator Sarbanes, on the Senate side, to try to improve the budget for statistical construction and analysis.

When you drive down a road, it's nice to have your eyes open and have a pair of glasses so that you can see where you're going.

It just boggles my mind that we will distribute billions and billions of dollars based on data which is often as shaky as the data that we use.

I welcome the effort that we had from Mr. Boskin, as well. I think it was a good bipartisan effort to try to improve the situation. But I hope that people don't think that because some progress is made this year that we can then forget it for next year and put it on the back burner, because if we don't continue to do it, we will have fooled ourselves, and we'll continue to allocate dollars on the basis of a lot of misinformation.

SENATOR SARBANES. I want to turn now for just a moment or two to the other purpose of this hearing this morning.

In April 1971—more than 20 years ago—the Joint Economic Committee began this series of regular monthly hearings on the employment and unemployment situation.

From August 1978, when she became Acting Commissioner of the Bureau of Labor Statistics, until today, Janet Norwood has been our regular witness without fail. This is Commissioner Norwood's 137th appearance before the Committee and, I am sorry to say, her final appearance prior to her retirement from federal service at the end of this year.

The Committee's relationship with Commissioner Norwood during the past 13 years has been an extraordinarily productive and satisfying one. Through the years, during good economic times and bad ones, Commissioner Norwood has regularly appeared before the Committee to explain the employment and unemployment situation to the Congress and to the Nation.

When Chairman Proxmire started these hearings, he said their purpose was to present a forum where:

> The public could receive both the details of the employment and unemployment figures, and the public truthful and unvarnished explanation of them which has characterized the experts at the Bureau of Labor Statistics.

This is precisely what Commissioner Norwood has done throughout her many years testifying at these hearings. Not only has she presented the details of the monthly labor market data, she has done a masterful job of explaining them to this Committee and to the American public.

She has been thoroughly professional in her testimony and absolutely nonpartisan. She has the deepest respect of both the Democratic and Republican members of this Committee and of the Congress.

I might say that I spoke with Secretary Martin this morning, who knew you were coming for the last time before the Committee, and we exchanged our deep respect for the job you have done over the years.

During her 13 years as head of the Bureau of Labor Statistics, Commissioner Norwood has contributed to building the Bureau into one of the

world's leading statistical agencies. The data collected and released by the BLS is trusted as being accurate and truthful. Statisticians from around the world come to the BLS for training. BLS has been a leader in helping the new market economies in Eastern Europe develop nonpolitical professional statistical agencies.

Throughout her career, I think, it is accurate to say that Commissioner Norwood has been a model public servant. After teaching at Wellesley College and the Fletcher School of Law and Diplomacy, she came to the Bureau of Labor Statistics as a price expert. She rose from economist in charge of the Bureau's International Price Program to Chief of the Division of Consumer Prices and Price Indexes, to Deputy Commissioner and then Acting Commissioner of the Bureau of Labor Statistics in 1978, following the death of Commissioner Julius Shiskin.

She was appointed Commissioner in 1979 by President Carter, reappointed Commissioner by President Reagan in 1983, and again in 1987, all a testimony to the universal regard for her professionalism and leadership at the BLS.

Reflecting the great respect of the statistical community for her work, she recently served as President of the American Statistical Association, the association's highest honor.

The members of the Joint Economic Committee greatly appreciate their long association with Commissioner Norwood, and we will miss her.

I have here a resolution that has been signed by all 20 members of the Committee, the 10 Senators and the 10 House members, and I am going to take the time to read it, because it reflects a feeling shared by all 20 members of this Committee.

A Resolution Commemorating the Retirement of Commissioner Janet L. Norwood

Whereas, Janet L. Norwood was appointed Commissioner of the Bureau of Labor Statistics by President Carter in 1979, and was reappointed by President Reagan in 1983, and again in 1987;

Whereas, she has served her country at the Bureau of Labor Statistics as an economist, as Chief of the Division of Consumer Prices and Price Indices, and as Deputy Commissioner, Acting Commissioner, and Commissioner of the Bureau of Labor Statistics;

Whereas, she has provided outstanding leadership and guidance to the Bureau of Labor Statistics and has during her tenure established the Bureau as a premier statistical agency of the U.S. Government, respected around the world;

Whereas, she has appeared before the Joint Economic Committee 137 times during her 13 years as Acting Commissioner and Commissioner of the Bureau of Labor Statistics to testify on the current employment and unemployment situation;

Whereas, she has presented to this Committee without fail not only the details of the employment and unemployment figures, but a clear and insightful explanation of them as well;

Whereas, through her testimony each month she has effectively communicated to the Congress and to the public important information on the current state of the economy and the current employment and unemployment situation; and

Whereas, she has maintained over the years a reputation for absolute impartiality, high professional competence, and a completely nonpartisan approach to the data collected and issued by the Bureau of Labor Statistics.

Now, therefore, be it resolved that the members of the Joint Economic Committee wish to express their sincere admiration for Commissioner Janet L. Norwood, for her integrity, professionalism and impartiality, and their deepest appreciation for her service to the Bureau of Labor Statistics and the people of the United States, and for assistance to the Committee and to the Congress.

Commissioner, Congressman Obey and I are going to come down and present this to you. I will yield to him for a moment to see if he wishes to add anything.

REPRESENTATIVE OBEY. I just want to say, Janet, that you have been the most difficult witness to lead I have ever known.

[Laughter.]

[The Resolution is presented to Commissioner Norwood by Chairman Sarbanes and Representative Obey.]

[Applause.]

MRS. NORWOOD. I would just like to say that obviously I could not have done this without the absolutely remarkable BLS staff. So, thank you very much.

SENATOR SARBANES. The Committee stands adjourned.

[Whereupon, at 11:05 a.m., the Committee adjourned, subject to the call of the Chair.]

DECEMBER EMPLOYMENT SITUATION

FRIDAY, JANUARY 10, 1992

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

The Committee met, pursuant to notice, at 9:42 a.m., in room SD–608, Dirksen Senate Office Building, Honorable Paul S. Sarbanes (chairman of the Committee) presiding.

Present: Senators Sarbanes, Riegle and Sasser; and Representative Armey.

Also present: William Buechner, professional staff member.

OPENING STATEMENT OF SENATOR SARBANES, CHAIRMAN

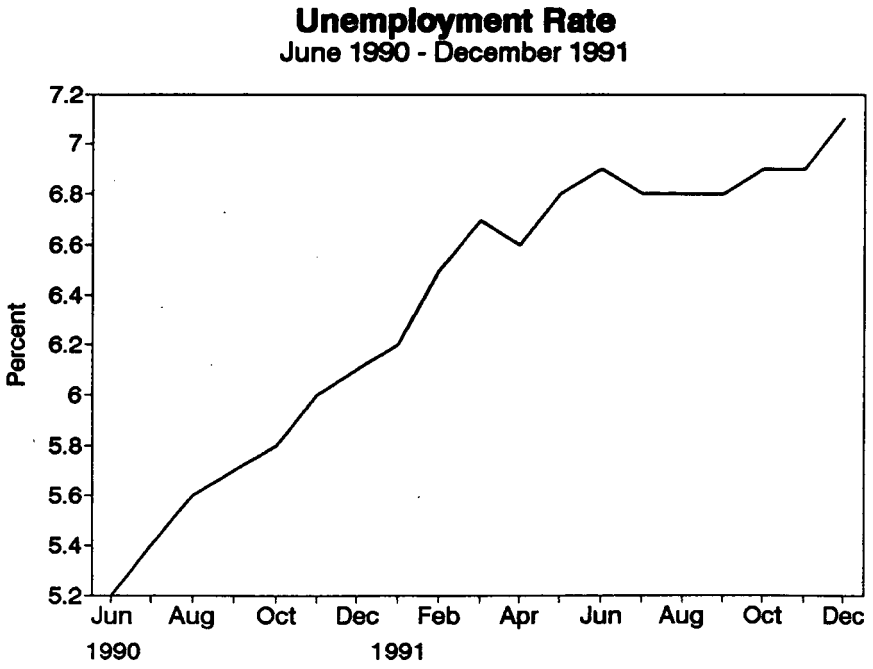
SENATOR SARBANES. The Joint Economic Committee meets this morning to examine the employment and unemployment for December and to place the employment situation for the entire year of 1991 into perspective.

There will be a second hearing following this one when the Committee will examine the job outlook for the year ahead with three expert witnesses. That hearing will begin immediately after this hearing is completed.

The data released by the Bureau of Labor Statistics this morning can only be characterized, in my opinion, as grim, very grim. The unemployment figure announced this morning is the worst in this recession, 7.1 percent. This chart shows the rise in the unemployment rate beginning June 1990. In other words, approximately 18 months ago, it was just about 5 percent—slightly above 5 percent. It has risen over this period of time, and we now have a figure reported this morning of 7.1 percent. (See chart on following page.)

Last summer, Mr. Darman told us that the recession was over. That was in July. Now, we find not only that the recession is not over, but we have the worst unemployment that we've had to confront throughout this recessionary period. It is no wonder that two of the major news magazines this week have front page covers on the recession: *Time Magazine*, "The Recession—How Bad Is It?" And the cover shows a picture taken from the 1930s. When I first saw this picture, I thought it might actually be a line of unemployed people out on the street today. And I wouldn't be surprised to see that happen. But you can see from the car models in

the background that it is from the 1930s. But the title of the article is, "The Recession, How Bad Is It?"



In the *U.S. News and World Report*, the article is "Is Your Job Safe?" It says one in five Americans was unemployed some time last year. This year it could even be worse.

Now the number of jobs lost in this recession, according to the household survey, has been on a par with the 1981-82 recession, which was, of course, the worst we had experienced since the Great Depression. Many people simply disappeared from the work force, too discouraged to look for employment in this tight labor market environment, which leads to the question of whether the official statistics do not understate the severity of the problem. In fact, there was a lengthy article in the *New York Times* just a few days ago that made that point. And I am sure Mr. Barron, as the Acting Commissioner, you probably anticipated, having seen that article, that that may well be one of the things that we will want to explore at this hearing.

Unemployment is no longer something that happens to someone else. It is touching the lives of an extraordinarily large percentage of our families in this country. According to the Conference Board, 25 million Americans were jobless at some point last year. Now, that is not 25 million jobless all at the same time, but over the course of the year, 25 million Americans experienced a period of joblessness during the course of 1991.

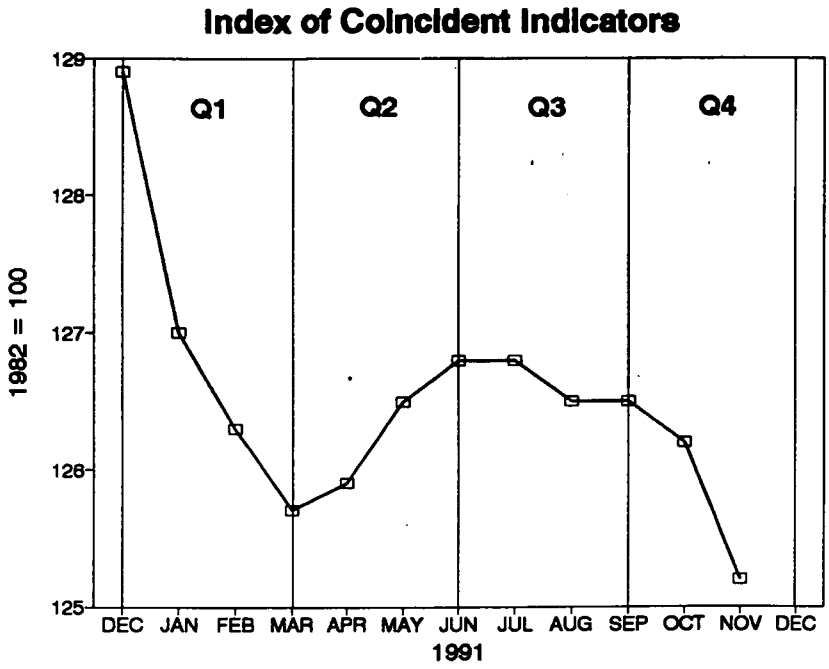
Now, we have a very serious problem with the long-term unemployed, persons unemployed for 27 weeks or longer, which has risen, as one can see, and of course becomes a highly relevant figure when you're talking about extending unemployment insurance benefits. These are people that have been out of work for an extended period of time.

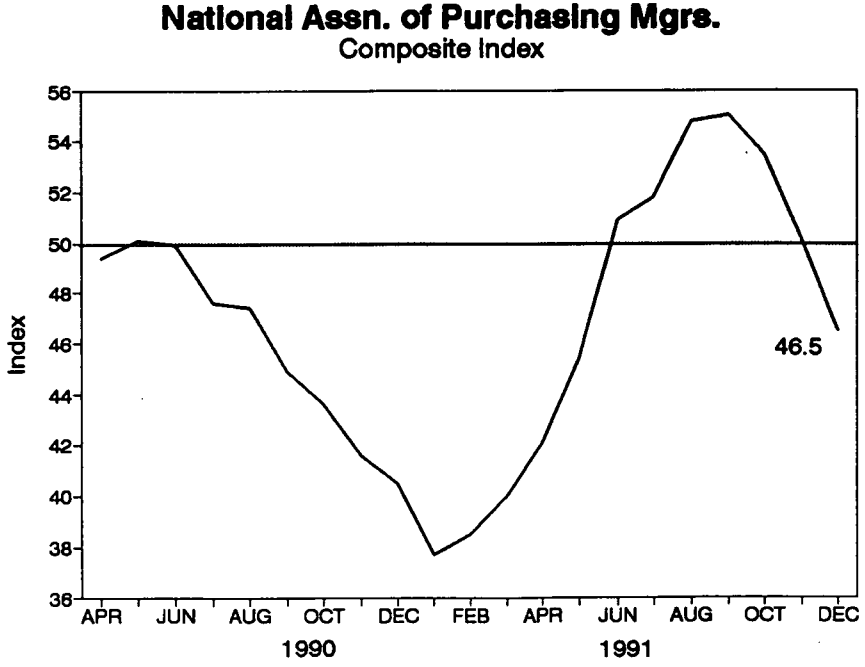
Now, all of this is compounded by the prospect of the economic outlook. A number of us have been sounding the alarm about this situation, trying to sound a rallying call to have an action program to try to deal with it.

I know that the President has just returned from Japan. He just arrived at Andrews and made a statement at the airport. Of course, even his proposals are not going to be laid out before the Nation until the end of this month. Many have urged him over quite a long period of time to come forward with a set of proposals. But unfortunately, the Administration through most of 1991 was asserting that this was going to be a short and shallow recession, that we were going to come out of it very soon, that nothing needed to be done.

As I said, Mr. Darman in mid-July said that the economy is turning up, the recession has ended, and we are turning up. We were constantly told simply to wait, yet, meanwhile we saw the deterioration of the situation. If you look ahead, there's no reason to be hopeful. The Index of Coincident Indicators—which includes sales, industrial production, income and employment—is now at its lowest level for this recessionary period—the lowest level for that Index—just as today the unemployment rate is at its highest level for this recession. (See chart on p. 18.)

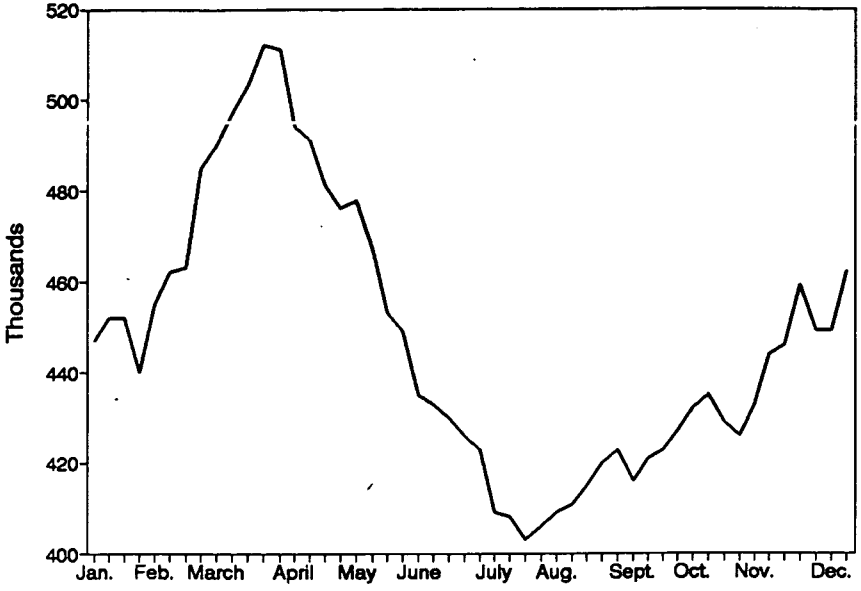
The National Association of Purchasing Managers in their latest composite index show a drop. After something of an increase, it is dropping back down again. (See chart on p. 18.) The unemployment claims have now started to rise again after beginning to drop for a period of time. And we can see that again—we use a 4-week moving average because the weekly figure is erratic—but we see the 4-week moving average ran way up back in March and came down, and now it is moving back up again. (See chart on p. 19.) Of course, we see this plunge in consumer confidence that has taken place over the last few months. (See chart on p. 19.) The numbers today and the bleak prospects for the future demand prompt action to promote economic recovery.


Index of Coincident Indicators
Q1
Q2
Q3
Q4
129
128
127
126
125
1982 = 100
DEC JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC
1991


National Assn. of Purchasing Mgrs.
Composite Index
56
54
52
50
48
46
44
42
40
38
36
Index
46.5
APR JUN AUG OCT DEC FEB APR JUN AUG OCT DEC
1990
1991

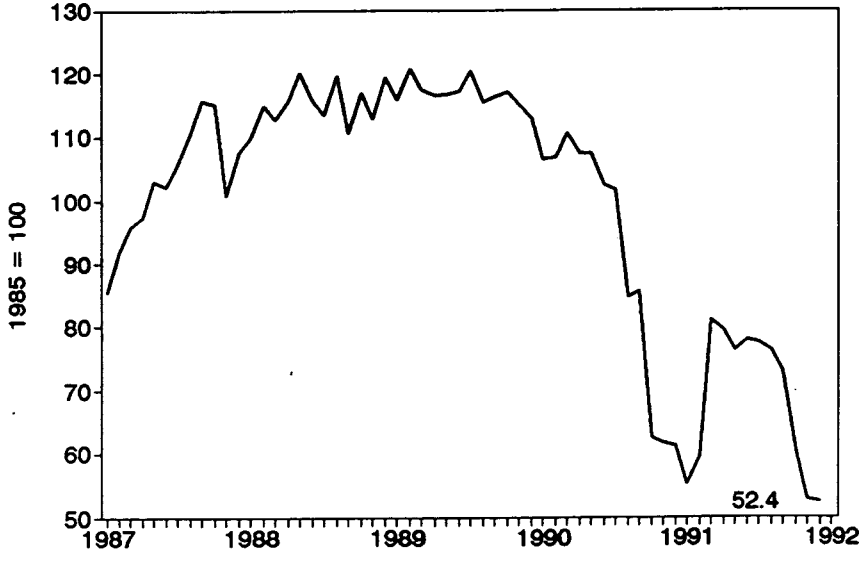
Initial Claims for Unemp. Insurance

1991, 4-week moving average



CONSUMER CONFIDENCE INDEX

The Conference Board



The situation is serious—very serious—and our response needs to be proportional to the problem. We have been holding, last week and this week, a number of hearings with respect to the economy and measures that might be taken to try to move the economy out of the recession. Senator Sasser, the Chairman of the Budget Committee, and I joined together about a week ago and put forward a program for short-term recovery from the recession and long-term economic growth. The situation is compounded by the layoff announcements that have been made by large companies which have not yet been reflected in the labor market. Those announcements are what they propose to do in the future. So, what they are projecting in the future is a cut—a significant cut—in their work force. State and local governments all across the country are cutting back and laying off people. So, those prospects are very grim indeed.

For 13 years, the Committee has received the monthly unemployment figures from the former Commissioner of Labor Statistician, Janet Norwood, one of our preeminent public servants. Commissioner Norwood retired at the end of 1991, and Mr. William Barron, who is the Acting Commissioner, has come this morning to appear before the Committee to present the figures—the monthly figures—as has been the tradition in this Committee for some 20 years.

I want to thank Mr. Barron for taking on this responsibility, and I see he is accompanied by the other two-thirds of the panel. The other two-thirds of the panel looks familiar; Mr. Plewes and Mr. Dalton, we are pleased to have you here with Mr. Barron, as well.

You may begin your testimony, but before you do that, let me yield to Congressman Armey for any statement he may have.

REPRESENTATIVE ARMEY. Thank you, Mr. Chairman.

Let me join you in welcoming Mr. Barron here this morning. We look forward to your testimony.

Mr. Chairman, I do have a formal statement that I would ask to be put in the record.

REPRESENTATIVE ARMEY. But in addition to that, I would like to make a few opening comments certainly pursuant to the choice that you have——

SENATOR SARBANES. Your written opening statement will be included in the record.

OPENING STATEMENT OF REPRESENTATIVE ARMEY

REPRESENTATIVE ARMEY. Thank you.

The charts that you have shown us clearly demonstrate the fact that we are in a dreary situation. For those of us who opposed that ill-fated budget summit deal and predicted this outcome, it's unhappily no surprise. And you're absolutely right again, Mr. Chairman, Dick Darman was wrong as Director of the Office of Management and Budget; he was incorrect in his understanding of policy, of budgeteering, and of economic analysis. He failed to perceive the logical outcome of that budget summit deal.

You are correct in observing that Mr. Darman was inaccurate in his understanding of how serious conditions were last summer, and, of course, we are both then left to fear whether or not today, with all of the evidence before him, that Budget Director Darman will finally get it. It would seem to me that he must eventually understand that we made a mistake.

One of the fascinating things that I've observed is that people in the private sector, when they make a mistake and fail to admit and correct it, either lose their jobs or go out of business. People in the public sector, when they make a mistake and refuse to admit it and don't move to correct it, most often get reelected. That is the difference between the public and the private sector. And I hope Mr. Darman will finally get it.

Thank you, Mr. Chairman.

[The written opening statement of Representative Armey follows:]

WRITTEN OPENING STATEMENT OF REPRESENTATIVE ARMEY

It is a pleasure to join in welcoming Deuty BLS Commissioner William Barron before us today.

The BLS Release today reports that employment growth is essentially flat. This combined with a 245,000 increase in the labor force pushed the unemployment rate to 7.1 percent. Both the Household and Establishment Surveys reflect a weak economic situation.

Unfortunately, bad economic policy has helped create this poor economic climate. Those who supported the huge tax increases enacted by Congress in 1990 now admit that it has pushed the economy deeper into recession.

As a leader in the fight against the suicidal tax increase, I wish more members of Congress had heeded our warnings that this measure would only destroy thousands of jobs and close many small businesses. Enacting a record tax increase while the economy was on the edge of recession was the worst policy mistake made in many years. Now, Congress must undo the damage it has wrought with concrete actions, not empty words.

SENATOR SARBANES. Let me just observe that the refrain that Mr. Darman was singing was unfortunately echoed by the President himself. On November 8, just 2 months ago, the President said, "It's not recession, it does not fit the definition of recession," talking about the economy. Five days later, the President said, "I think it's strictly confidence and I think that the fundamentals are getting better—the fundamentals are getting better." And yet this morning, we're here to receive a 7.1 percent unemployment figure.

Secretary Martin of Labor on November 1, when the unemployment rate went from 6.7 to 6.8 percent—and, of course, many of us were sounding the alarm throughout 1991 as this unemployment rate kept moving up and up—said, and let me just quote this: "The virtually unchanged unemployment rate of 6.8 percent"—it had gone up but was virtually unchanged—"coupled with yesterday's announced decrease in the number of initial unemployment claims, is a sign that the economy is pointed in the right direction." And that same day, the President speaking to a group of small business executives at the White House said, and I quote, "The economy has turned the corner and is headed for recovery."

Now, these were a couple of months ago. And now this morning, we are going to receive a 7.1 percent unemployment figure.

Mr. Barron, we are prepared to take your statement.

MR. BARRON. Thank you, Mr. Chairman.

STATEMENT OF WILLIAM BARRON, ACTING COMMISSIONER, BUREAU OF LABOR STATISTICS, U.S. DEPARTMENT OF LABOR: ACCOMPANIED BY KENNETH V. DALTON, ASSOCIATE COMMISSIONER, OFFICE OF PRICES AND LIVING CONDITIONS; AND THOMAS J. PLEWES, ASSOCIATE COMISSIONER, OFFICE OF EMPLOYMENT AND UNEMPLOYMENT STATISTICS

MR. BARRON. If I may very quickly, in response to your mentioning the tradition of BLS being here, what we do today is only through the outstanding efforts of the colleagues that are with me and those back at the office. They are consummate professionals, and I can't thank them enough.

Mr. Chairman and members of the Committee, thank you for this opportunity to discuss December's employment situation developments with you.

The labor market remained weak in December as unemployment rose and employment was unchanged in both our household and establishment surveys. The unemployment rate for December was 7.1 percent, up from the 6.9 percent that we are now showing for October and November. I should point out that this is the time each year that we revise our household survey data, based on updated seasonal adjustment factors, incorporating the experience of the just-completed year. That is why the October and November jobless rates are now estimated to be 6.9 percent, a tenth of a percentage point higher than we had originally reported. These

revisions do not substantially alter the description of labor-market developments that we have presented to you during the course of 1991.

Nonfarm payroll employment, as measured by our survey of private and government employers, registered virtually no gain in December. Thus, the economy failed to recoup the large November job losses of 265,000.

Construction employment had fallen by about 90,000 in November, due partly to unusually bad weather, and then was little changed in December. This left construction jobs down about 100,000 over the last 3 months of the year. Similarly, mining continues to lose jobs; cutbacks have totaled 45,000 over the year, spread across all of its component industries.

For the past 4 months now, the Nation's factories have had job losses of about 30-40,000 per month, leaving manufacturing employment nearly 450,000 below its year-earlier level. A quarter of the 1991 decline was in industrial machinery. However, the manufacturing workweek has been quite strong in the second half of the year.

The largest over-the-month decline in manufacturing took place in transportation equipment, primarily in aircraft and autos. Despite one of the worst sales years in recent history and the recent announcements of plans for employment cutbacks, the job count in the automobile industry is still above the levels of a year earlier. It is, nonetheless, about 100,000 below the pre-recession peak in early 1989.

In the service-producing sector, jobs in the transportation industry declined over the month, as two air carriers ceased operation between the November and December surveys. Retail trade saw little change in its employment level on a seasonally adjusted basis. This, however, comes on the heels of losses totaling about 140,000 in the 2 prior months. In fact, retailers hired even fewer employees over the 1991 holiday season than during the 1990 period and less than half the average over the prior decade. In the services industry, health services grew markedly in December, but job creation in business services has stalled over the past 2 months after picking up from August through October.

Returning to the data from the household survey, the December increase in unemployment was two-tenths of a percentage point, with most labor force groups included in this rise. There was a large increase in the number of persons who were jobless for more than a half a year. This group now totals 1.5 million, or about one in every six unemployed persons.

The number of discouraged workers in the fourth quarter was 1.1 million, unchanged from the prior quarter. Also, we have seen no changes since September in the number of persons who report they are working part-time, despite their preference for full-time work. That group totaled 6.3 million persons in December.

At this time each year, we usually spend a few minutes reviewing labor-market developments over the course of the past year. The early months were a period of rapid runup in the unemployment rate and of

sizable job losses. During the spring and summer, a number of industries began adding to their payrolls, and the jobless rate leveled off at about 6.8 percent. As the year came to a close, though, private-sector employment once again began to fall and the jobless rate inched up.

Increases in joblessness over this period and, in fact, throughout this recession have been much smaller than in the 1981-82 recession. Part of the reason for this is that employment declines have not been as large. Two other reasons seem noteworthy: First, we have experienced unusually little labor force growth over the period, partly as a result of demographic factors—the population of teenagers is decreasing—but also because the recession appears to have dampened labor-force participation rates. Second, this recession saw only a small fraction of the rise in unemployment among blue-collar workers, as compared with past recessions. This occurred both because such workers make up a smaller portion of the economy with each passing year, but also because many employers have been forced to pare their work forces long before the recession hit. For example, factory employment began a sustained drop in early 1989, a year and a half before the official start of the recession.

On the other hand, this recession has affected a broader range of worker groups than prior downturns. Industries that had been resilient in past recessions, such as trade and finance, are incurring serious problems, some of which predate the recession. Even the services industry, which is still increasing in employment, has seen only limited growth, most notably in health services and child care. One effect of this widespread weakness is that white-collar workers have lost jobs in industries that previously had been relatively insulated from job loss. While unemployment rates for white-collar workers are still much lower than for their blue-collar counterparts, unemployment levels are actually the same, roughly three million each. In past recessions, blue-collar unemployment always accounted for a much larger share of the total.

In summary, unemployment increased in December to the highest point of the year, while the number of jobs held about steady. Though job losses were less widespread, cutbacks in airline transportation and in manufacturing indicated that softness continued in December.

Mr. Chairman, my colleagues and I will now be pleased to try and answer any questions that you might have.

[The table attached to Mr. Barron's statement, together with the employment press release follows:]

Unemployment rates of all civilian workers by alternative seasonal adjustment methods

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

SOURCE: U.S. DEPARTMENT OF LABOR
Bureau of Labor Statistics
January 1992

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

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

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

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

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

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

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

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

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

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

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THE EMPLOYMENT SITUATION: DECEMBER 1991

The nation's job market showed continued weakness in December, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The unemployment rate rose two-tenths of a percentage point to 7.1 percent from a revised 6.9 percent in both October and November. Nonfarm payroll employment was little changed in December, following a large decline in November.

Unemployment (Household Survey Data)

The number of unemployed persons rose by 290,000 in December to 8.9 million (after seasonal adjustment), and the unemployment rate rose 0.2 percentage point to 7.1 percent. Prior to December, the unemployment rate had held at about 6.8 percent between May and September before edging up to 6.9 percent in October and November. Since the recession began in July 1990, the jobless total has grown by 2.1 million and the unemployment rate has risen 1.7 percentage points. (See table A-1.)

Jobless rates for adult men (6.6 percent) and adult women (6.1 percent) edged up in December. Rates for teenagers (19.3 percent), whites (6.3 percent), blacks (12.7 percent), and Hispanics (9.7 percent) were little changed over the month, though mostly in an upward direction. (See tables A-1 and A-2.)

Nearly all of the December increase in unemployment occurred among persons who had lost their last jobs, primarily those who had no expectation of being called back to work. Since July 1990, the total number of job losers (including those on layoff anticipating recall) has increased by 1.8 million. Job losers accounted for 56 percent of the unemployed in December. (See table A-6.)

Long-term unemployment (15 weeks and over) rose by 220,000 in December to a level of 2.8 million; the long-term unemployed accounted for about 1 out of every 3 unemployed persons in December, up from 1 in 5 at the onset of the recession. Most of the over-the-month increase in long-term unemployment was accounted for by persons jobless for 6 months or longer. (See table A-5.)

This release incorporates annual revisions in seasonally adjusted unemployment and other labor force series derived from the household survey. Information on the revisions appears on

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

Category	Quarterly averages		Monthly data			Nov.-Dec. change
	1991		1991			
	III	IV	Oct.	Nov.	Dec.	
HOUSEHOLD DATA	Thousands of persons					
Civilian labor force	125,266	125,500	125,508	125,374	125,619	245
Employment	116,767	116,789	116,867	116,772	116,728	-44
Unemployment	8,499	8,711	8,641	8,602	8,891	289
Not in labor force	64,712	64,949	64,781	65,078	64,986	-92
Discouraged workers	1,064	1,094	N.A.	N.A.	N.A.	N.A.
	Percent of labor force					
Unemployment rates:						
All workers	6.8	6.9	6.9	6.9	7.1	0.2
Adult men	6.5	6.5	6.5	6.4	6.6	.2
Adult women	5.6	6.0	5.8	5.9	6.1	.2
Teenagers	19.0	19.0	18.9	18.7	19.3	.6
White	6.1	6.2	6.1	6.2	6.3	.1
Black	12.2	12.6	12.8	12.3	12.7	.4
Hispanic origin	10.1	10.1	10.5	10.2	9.7	-.5
ESTABLISHMENT DATA	Thousands of jobs					
Nonfarm employment	108,965	p108,907	109,073	p108,808	p108,839	p31
Goods-producing 1/	23,807	p23,631	23,727	p23,595	p23,572	p-23
Construction	4,695	p4,617	4,671	p4,583	p4,596	p13
Manufacturing	18,419	p18,340	18,377	p18,338	p18,306	p-32
Service-producing 1/	85,158	p85,275	85,346	p85,213	p85,267	p54
Retail trade	19,343	p19,221	19,288	p19,196	p19,180	p-16
Services	28,834	p29,025	29,019	p29,009	p29,047	p38
Government	18,419	p18,488	18,467	p18,465	p18,531	p66
	Hours of work					
Average weekly hours:						
Total private	34.3	p34.4	34.3	p34.4	p34.5	p0.1
Manufacturing	40.9	p41.0	40.9	p41.0	p41.1	p.1
Overtime	3.7	p3.7	3.7	p3.7	p3.8	p.1

1/ Includes other industries, not shown separately. N.A.= not available.
NOTE: Household data have been revised based on the experience through December 1991. p=preliminary.

Total Employment and the Labor Force (Household Survey Data)

Total employment was little changed in December at a seasonally adjusted level of 116.7 million. The number of employed persons was about 1.2 million lower than when the recession began. The employment-population ratio--the proportion of the working-age population that is employed--was 61.2 percent in December, down 1-1/2 percentage points since July 1990. (See table A-1.)

The civilian labor force rose slightly in December, to 125.6 million, and the labor force participation rate, at 65.9 percent, was about unchanged. Over the past year, the labor force has grown by only about half a million, reflecting the net effect of a pronounced decline in the teenage labor force and only modest growth among adults.

Discouraged Workers (Household Survey Data)

The number of discouraged workers--persons who want a job but are not looking for one because they think that their search would be futile--was 1.1 million in the fourth quarter of 1991, little changed from the previous quarter. Since the recession began, the discouraged total has expanded by some 270,000 persons, much less than the increase registered during the 1981-82 downturn (about 700,000). (See table A-11.)

Industry Payroll Employment (Establishment Survey Data)

Nonfarm payroll employment changed little in December following a 265,000 decline in November. Private sector employment declined throughout the entire fourth quarter, led by decreases in goods-producing industries. (See table B-1.)

Manufacturing lost 32,000 jobs; the industry's employment has shrunk by 1.2 million since January of 1989, mostly in durable goods. Much of the December decline came in transportation equipment, with autos losing 7,000 jobs (in a continuation of month-to-month fluctuations) and aircraft manufacturing experiencing further declines. Industrial machinery, fabricated metals, and instruments sustained further job losses as well. In contrast, employment edged up in textiles, which, along with apparel, has had steady gains since April.

Jobs in the construction industry held about steady in December after declining by 88,000 in November. Seasonal layoffs normally occurring in both months were more concentrated in November because of unusually bad weather. About 600,000 construction jobs have been lost since May of 1990. Mining employment continued its pattern of small but persistent losses.

In the service-producing sector, wholesale trade continued to lose jobs--15,000 in December--reflecting the overall weakness in manufacturing and retail trade. Employment in retail trade changed little in December on a seasonally adjusted basis, but overall Christmas hiring was much weaker than usual in 1991. Transportation and public utilities lost 23,000 jobs, largely because two air carriers ceased operations. Services added 38,000 jobs following a slight decline in November; the December gains were

limited to the health services industry. Government employment has risen by about 100,000 in the last 3 months.

Weekly Hours (Establishment Survey Data)

The average workweek for production or nonsupervisory workers on private nonfarm payrolls edged up by 0.1 hour in December to 34.5 hours, following an equivalent increase in the prior month. After dropping to 34.0 in April 1991, the average workweek is back to the level of mid-1989. The factory workweek and overtime also increased 0.1 hour to 41.1 and 3.8 hours, respectively. Manufacturing hours continue to be high by historical standards. (See table B-2.)

The index of aggregate weekly hours increased by two-tenths of a percent to 121.7 (1982=100) in December, seasonally adjusted, following a slight increase in November. The index of manufacturing hours also gained 0.2 percent to 102.7, after declining for 3 months. (See table B-5.)

Hourly and Weekly Earnings (Establishment Survey Data)

Average hourly earnings of private production or nonsupervisory workers increased by 0.7 percent in December, seasonally adjusted. As a result of this and the small increase in weekly hours, average weekly earnings increased 1.0 percent. Prior to seasonal adjustment, average hourly earnings increased by 5 cents to $10.51, while average weekly earnings were up $5.92 to $362.25. Over the past year, hourly and weekly earnings both rose 3.1 percent. (See table B-3.)

The Employment Situation for January 1992 will be released on Friday, February 7, at 8:30 A.M. (EST).

Revision of Seasonally Adjusted Household Survey Data

At the end of each calendar year, BLS routinely updates the seasonal adjustment factors for the labor force series derived from the Current Population Survey (household survey) to incorporate the experience of that year. Seasonally adjusted data for the most recent 5 years are subject to revision. (Seasonally adjusted establishment data are revised later in the year, concurrently with the introduction of annual benchmark adjustments.)

Table B summarizes the effects of the revisions on the overall unemployment rate in 1991, showing that 6 of the 12 months had revisions of 0.1 percentage point. Table C presents revised seasonally adjusted data for major labor force series for December 1990 through December 1991.

The January 1992 issue of Employment and Earnings will contain new seasonal adjustment factors that will be used to calculate the civilian labor force and other major series for January-June of 1992. The publication will also contain a description of the current seasonal adjustment methodology and revised data for the most recent 13 months or calendar quarters for all regularly published tables containing seasonally adjusted household survey data. Revised monthly data for the 1987-91 revision period for nearly 450 labor force series will be published in the February 1992 issue. Microcomputer diskettes of historical seasonally adjusted data (monthly and quarterly) may be purchased from the Bureau (contact Gloria P. Green on 202--523-1959).

Table B. Seasonally adjusted unemployment rates in 1991 and change due to revision

Month	As first computed	As revised	Change
January	6.2	6.2	0
February	6.5	6.5	0
March	6.8	6.7	-0.1
April	6.6	6.6	0
May	6.9	6.8	-.1
June	7.0	6.9	-.1
July	6.8	6.8	0
August	6.8	6.8	0
September	6.7	6.8	.1
October	6.8	6.9	.1
November	6.8	6.9	.1
December	*7.1	7.1	0

* Not published.

HOUSEHOLD DATA

Table C. Employment status of the civilian noninstitutional population by sex and age, seasonally adjusted

(Numbers in thousands)

Employment status, sex, and age	1990	1991										
	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
TOTAL													
Civilian noninstitutional population[1]	188,866	188,977	189,115	189,243	189,380	189,522	189,668	189,839	189,973	190,122	190,269	190,452	190,605
Civilian labor force	125,144	124,740	125,067	125,250	125,644	125,259	125,524	125,204	125,004	125,590	125,508	125,374	125,619
Percent of population	66.3	66.0	66.1	66.2	66.3	66.1	66.2	66.0	65.8	66.1	66.0	65.8	65.9
Employed	117,476	116,977	116,937	116,834	117,388	116,730	116,909	116,729	116,484	117,089	116,867	116,772	116,728
Employment-population ratio[2]	62.2	61.9	61.8	61.7	62.0	61.6	61.6	61.5	61.3	61.6	61.4	61.3	61.2
Unemployed	7,668	7,763	8,130	8,416	8,256	8,529	8,615	8,475	8,520	8,501	8,641	8,602	8,891
Unemployment rate	6.1	6.2	6.5	6.7	6.6	6.8	6.9	6.8	6.8	6.8	6.9	6.9	7.1
Men, 20 years and over													
Civilian noninstitutional population[1]	83,208	83,271	83,392	83,466	83,567	83,636	83,748	83,865	83,940	84,023	84,151	84,245	84,367
Civilian labor force	64,768	64,416	64,583	64,703	64,982	64,781	64,906	64,896	64,816	65,066	64,961	64,914	64,962
Percent of population	77.8	77.4	77.4	77.5	77.8	77.5	77.5	77.4	77.2	77.5	77.2	77.1	77.0
Employed	61,096	60,768	60,573	60,597	60,947	60,638	60,891	60,671	60,605	60,843	60,746	60,764	60,672
Employment-population ratio[2]	73.4	73.0	72.8	72.6	72.9	72.5	72.5	72.3	72.2	72.4	72.2	72.1	71.9
Agriculture	2,394	2,318	2,332	2,269	2,340	2,364	2,414	2,383	2,368	2,400	2,370	2,390	2,317
Nonagricultural industries	58,702	58,450	58,241	58,328	58,607	58,274	58,477	58,288	58,237	58,443	58,376	58,374	58,355
Unemployed	3,672	3,648	4,010	4,106	4,035	4,143	4,215	4,225	4,211	4,243	4,215	4,150	4,290
Unemployment rate	5.7	5.7	6.2	6.3	6.2	6.4	6.5	6.5	6.5	6.5	6.5	6.4	6.6
Not in labor force	18,440	18,855	18,809	18,763	18,585	18,855	18,842	18,969	19,124	18,937	19,190	19,331	19,405
Women, 20 years and over													
Civilian noninstitutional population[1]	92,042	92,139	92,198	92,273	92,358	92,454	92,546	92,654	92,720	92,797	92,875	92,958	93,032
Civilian labor force	53,186	53,138	53,318	53,398	53,630	53,492	53,726	53,599	53,601	53,650	53,686	53,655	53,909
Percent of population	57.8	57.7	57.8	57.9	58.1	57.9	58.1	57.8	57.8	57.8	57.8	57.7	57.9
Employed	50,396	50,328	50,438	50,408	50,689	50,424	50,639	50,661	50,542	50,639	50,564	50,474	50,613
Employment-population ratio[2]	54.8	54.6	54.7	54.6	54.9	54.5	54.7	54.7	54.5	54.6	54.4	54.3	54.4
Agriculture	640	653	667	618	627	633	626	615	642	667	636	672	661
Nonagricultural industries	49,756	49,675	49,771	49,790	50,062	49,791	50,013	50,066	49,900	49,972	49,928	49,802	49,952
Unemployed	2,792	2,810	2,880	2,968	2,941	3,068	3,089	2,918	3,059	3,011	3,132	3,181	3,296
Unemployment rate	5.2	5.3	5.4	5.6	5.5	5.7	5.7	5.4	5.7	5.6	5.8	5.9	6.1
Not in labor force	38,854	39,001	38,880	38,877	38,728	38,962	38,818	39,055	39,119	39,147	39,179	39,303	39,123
Both sexes, 16 to 19 years													
Civilian noninstitutional population[1]	13,616	13,567	13,525	13,504	13,455	13,432	13,374	13,320	13,313	13,302	13,263	13,250	13,206
Civilian labor force	7,188	7,186	7,166	7,151	7,032	6,986	6,890	6,709	6,587	6,854	6,851	6,805	6,748
Percent of population	52.8	53.0	53.0	53.0	52.3	52.0	51.5	50.4	49.5	51.5	51.7	51.4	51.1
Employed	5,984	5,861	5,926	5,829	5,752	5,668	5,579	5,377	5,337	5,607	5,557	5,534	5,443
Employment-population ratio[2]	43.9	43.3	43.8	43.2	42.7	42.2	41.7	40.4	40.1	42.2	41.9	41.8	41.2
Agriculture	250	223	238	237	220	259	246	246	244	216	198	210	205
Nonagricultural industries	5,734	5,658	5,688	5,592	5,532	5,409	5,333	5,131	5,093	5,391	5,359	5,324	5,238
Unemployed	1,204	1,305	1,240	1,322	1,280	1,318	1,311	1,332	1,250	1,247	1,294	1,271	1,305
Unemployment rate	16.8	18.2	17.3	18.5	18.2	18.9	19.0	19.9	19.0	18.2	18.9	18.7	19.3
Not in labor force	6,428	6,381	6,359	6,353	6,423	6,446	6,484	6,611	6,726	6,448	6,412	6,445	6,458

[1] The population figures are not adjusted for seasonal variation.

[2] Civilian employment as a percent of the civilian noninstitutional population.

NOTE: Seasonally adjusted data have been revised based on the experience through December 1991.

Explanatory Note

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

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

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

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

Coverage, definitions, and differences between surveys

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

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

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

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

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

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

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

Seasonal adjustment

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

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

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

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

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

Sampling variability

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

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

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

Additional statistics and other information

In order to provide a broad view of the nation's employment situation, BLS regularly publishes a wide variety of data in this news release. More comprehensive statistics are contained in *Employment and Earnings*, published each month by BLS. It is available for $10.00 per issue or $31.00 per year from the U.S. Government Printing Office, Washington, DC 20204. A check or money order made out to the Superintendent of Documents must accompany all orders.

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

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-523-1221, TDD phone: 202-523-3926, TDD Message Referral Phone Number: 1-800-326-2577.

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

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted[1]					
	Dec. 1990	Nov. 1991	Dec. 1991	Dec. 1990	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991	Dec. 1991
TOTAL									
Civilian noninstitutional population	188,866	190,452	190,605	188,866	189,973	190,122	190,289	190,452	190,605
Civilian labor force	124,630	125,398	125,108	125,144	125,004	125,590	125,508	125,374	125,619
Participation rate	66.0	65.8	65.6	66.3	65.8	66.1	66.0	65.8	65.9
Employed	117,287	117,110	116,549	117,476	116,484	117,089	116,867	116,772	116,728
Employment-population ratio	62.1	61.5	61.1	62.2	61.3	61.6	61.4	61.3	61.2
Agriculture	2,943	3,181	2,862	3,284	3,254	3,283	3,204	3,272	3,183
Nonagricultural industries	114,344	113,929	113,687	114,192	113,230	113,806	113,663	113,500	113,545
Unemployed	7,343	8,286	8,559	7,668	8,520	8,501	8,641	8,602	8,891
Unemployment rate	5.9	6.6	6.8	6.1	6.8	6.8	6.9	6.9	7.1
Not in labor force	64,236	65,056	65,496	63,722	64,969	64,532	64,781	65,078	64,986
Men, 16 years and over									
Civilian noninstitutional population	90,083	90,924	91,008	90,083	90,658	90,736	90,830	90,924	91,008
Civilian labor force	68,112	68,207	68,008	68,568	68,269	68,722	68,491	68,417	68,416
Participation rate	75.6	75.0	74.7	76.1	75.3	75.7	75.4	75.2	75.2
Employed	63,788	63,536	63,025	64,222	63,376	63,787	63,597	63,572	63,426
Employment-population ratio	70.8	69.9	69.3	71.3	69.9	70.3	70.0	69.9	69.7
Unemployed	4,324	4,669	4,983	4,346	4,891	4,955	4,894	4,845	4,990
Unemployment rate	6.3	6.8	7.3	6.3	7.2	7.2	7.1	7.1	7.3
Men, 20 years and over									
Civilian noninstitutional population	83,208	84,245	84,387	83,208	83,940	84,023	84,151	84,245	84,387
Civilian labor force	64,575	64,859	64,793	64,768	64,816	65,086	64,961	64,914	64,962
Participation rate	77.6	77.0	76.8	77.8	77.2	77.5	77.2	77.1	77.0
Employed	60,881	60,876	60,467	61,096	60,605	60,843	60,748	60,764	60,672
Employment-population ratio	73.2	72.3	71.7	73.4	72.2	72.4	72.2	72.1	71.9
Agriculture	2,205	2,364	2,134	2,394	2,368	2,400	2,370	2,390	2,317
Nonagricultural industries	58,676	58,512	58,334	58,702	58,237	58,443	58,376	58,374	58,355
Unemployed	3,695	3,983	4,326	3,672	4,211	4,243	4,215	4,150	4,290
Unemployment rate	5.7	6.1	6.7	5.7	6.5	6.5	6.5	6.4	6.6
Women, 16 years and over									
Civilian noninstitutional population	98,783	99,528	99,597	98,783	99,315	99,386	99,459	99,528	99,597
Civilian labor force	56,518	57,189	57,100	56,576	56,735	56,868	57,017	56,957	57,203
Participation rate	57.2	57.5	57.3	57.3	57.1	57.2	57.3	57.2	57.4
Employed	53,499	53,572	53,524	53,254	53,106	53,322	53,270	53,200	53,302
Employment-population ratio	54.2	53.8	53.7	53.9	53.5	53.7	53.6	53.5	53.5
Unemployed	3,020	3,617	3,576	3,322	3,629	3,546	3,747	3,757	3,901
Unemployment rate	5.3	6.3	6.3	5.9	6.4	6.2	6.6	6.6	6.8
Women, 20 years and over									
Civilian noninstitutional population	92,042	92,958	93,032	92,042	92,720	92,797	92,875	92,958	93,032
Civilian labor force	53,284	54,046	53,962	53,188	53,601	53,650	53,696	53,655	53,909
Participation rate	57.9	58.1	58.0	57.8	57.8	57.8	57.8	57.7	57.9
Employed	50,697	50,963	50,896	50,396	50,542	50,639	50,564	50,474	50,613
Employment-population ratio	55.1	54.8	54.7	54.8	54.5	54.6	54.4	54.3	54.4
Agriculture	578	661	597	640	642	667	636	672	661
Nonagricultural industries	50,119	50,302	50,299	49,756	49,900	49,972	49,928	49,802	49,952
Unemployed	2,586	3,082	3,066	2,792	3,059	3,011	3,132	3,181	3,296
Unemployment rate	4.9	5.7	5.7	5.2	5.7	5.6	5.8	5.9	6.1
Both sexes, 16 to 19 years									
Civilian noninstitutional population	13,616	13,250	13,206	13,616	13,313	13,302	13,263	13,250	13,206
Civilian labor force	6,772	6,492	6,352	7,188	6,587	6,854	6,851	6,805	6,748
Participation rate	49.7	49.0	48.1	52.8	49.5	51.5	51.7	51.4	51.1
Employed	5,709	5,271	5,186	5,984	5,337	5,607	5,557	5,534	5,443
Employment-population ratio	41.9	39.8	39.3	43.9	40.1	42.2	41.9	41.8	41.2
Agriculture	160	156	131	250	244	216	198	210	205
Nonagricultural industries	5,549	5,115	5,054	5,734	5,093	5,391	5,359	5,324	5,238
Unemployed	1,063	1,221	1,166	1,204	1,250	1,247	1,294	1,271	1,305
Unemployment rate	15.7	18.8	18.4	16.8	19.0	18.2	18.9	18.7	19.3

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

NOTE: Seasonally adjusted data have been revised based on the experience through December 1991.

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

(Numbers in thousands)

Employment status, race, sex, age, and Hispanic origin	Not seasonally adjusted			Seasonally adjusted[1]					
	Dec. [illegible]	Nov. [illegible]	Dec. 1991	Dec. 1990	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991	Dec. 1991
WHITE									
Civilian noninstitutional population	160,942	161,949	162,047	160,942	161,642	161,738	161,846	161,949	162,047
Civilian labor force	106,946	107,550	107,172	107,396	107,220	107,583	107,632	107,596	107,646
Participation rate	66.5	66.4	66.1	66.7	66.3	66.5	66.5	66.4	66.4
Employed	101,505	101,205	100,625	101,704	100,718	101,053	101,067	100,977	100,828
Employment-population ratio	63.1	62.5	62.1	63.2	62.3	62.5	62.4	62.4	62.2
Unemployed	5,443	6,346	6,547	5,694	6,504	6,540	6,565	6,622	6,818
Unemployment rate	5.1	5.9	6.1	5.3	6.1	6.1	6.1	6.2	6.3
Men, 20 years and over									
Civilian labor force	56,071	56,277	56,126	56,205	56,246	56,457	56,320	56,312	56,244
Participation rate	78.0	77.5	77.3	78.2	77.7	77.9	77.7	77.6	77.4
Employed	53,213	53,096	52,723	53,389	52,931	53,040	52,990	53,011	52,896
Employment-population ratio	74.0	73.2	72.6	74.3	73.1	73.2	73.1	73.0	72.8
Unemployed	2,858	3,181	3,403	2,816	3,315	3,417	3,330	3,301	3,348
Unemployment rate	5.1	5.7	6.1	5.0	5.9	6.1	5.9	5.9	6.0
Women, 20 years and over									
Civilian labor force	45,050	45,672	45,542	44,997	45,263	45,240	45,384	45,372	45,530
Participation rate	57.6	58.0	57.8	57.6	57.8	57.5	57.6	57.6	57.8
Employed	43,229	43,447	43,298	42,998	43,000	43,040	43,118	43,038	43,076
Employment-population ratio	55.3	55.2	54.9	55.0	54.7	54.7	54.8	54.6	54.6
Unemployed	1,821	2,225	2,244	1,999	2,263	2,200	2,266	2,334	2,454
Unemployment rate	4.0	4.9	4.9	4.4	5.0	4.9	5.0	5.1	5.4
Both sexes, 16 to 19 years									
Civilian labor force	5,827	5,602	5,504	6,198	5,711	5,886	5,928	5,915	5,872
Participation rate	53.4	52.9	52.0	56.8	53.6	55.5	55.9	55.8	55.5
Employed	5,083	4,662	4,603	5,317	4,785	4,973	4,959	4,928	4,856
Employment-population ratio	46.4	44.0	43.5	48.8	45.0	46.8	46.7	46.5	45.9
Unemployed	764	940	901	879	926	923	969	987	1,016
Unemployment rate	13.1	16.8	16.4	14.2	16.2	15.7	16.3	16.7	17.3
Men	15.3	18.0	18.1	15.3	16.9	16.9	16.9	17.4	18.0
Women	10.8	15.5	14.5	12.9	15.5	14.3	15.8	15.9	16.6
BLACK									
Civilian noninstitutional population	21,448	21,745	21,774	21,448	21,655	21,683	21,714	21,745	21,774
Civilian labor force	13,478	13,482	13,549	13,486	13,488	13,731	13,570	13,426	13,559
Participation rate	62.8	62.0	62.2	62.9	62.3	63.3	62.5	61.7	62.3
Employed	11,859	11,847	11,871	11,821	11,814	12,043	11,834	11,779	11,841
Employment-population ratio	55.3	54.5	54.5	55.1	54.6	55.5	54.5	54.2	54.4
Unemployed	1,619	1,635	1,678	1,665	1,674	1,688	1,736	1,647	1,718
Unemployment rate	12.0	12.1	12.4	12.3	12.4	12.3	12.8	12.3	12.7
Men, 20 years and over									
Civilian labor force	6,340	6,353	6,393	6,354	6,329	6,414	6,377	6,357	6,402
Participation rate	73.9	72.6	72.9	74.1	72.8	73.8	73.0	72.7	73.0
Employed	5,641	5,689	5,654	5,654	5,597	5,702	5,673	5,675	5,665
Employment-population ratio	65.8	65.0	64.5	65.9	64.3	65.4	65.0	64.9	64.6
Unemployed	699	663	739	700	732	712	704	682	737
Unemployment rate	11.0	10.4	11.6	11.0	11.6	11.1	11.0	10.7	11.5
Women, 20 years and over									
Civilian labor force	6,386	6,450	6,497	6,343	6,476	6,560	6,464	6,366	6,460
Participation rate	59.5	59.1	59.5	59.1	59.6	60.3	59.3	58.3	59.1
Employed	5,729	5,715	5,786	5,665	5,799	5,876	5,716	5,648	5,730
Employment-population ratio	53.4	52.4	52.9	52.8	53.4	54.0	52.5	51.8	52.4
Unemployed	657	735	711	678	677	684	748	718	730
Unemployment rate	10.3	11.4	10.9	10.7	10.5	10.4	11.6	11.3	11.3
Both sexes, 16 to 19 years									
Civilian labor force	751	679	660	789	683	757	729	703	697
Participation rate	35.2	32.6	31.7	37.0	32.6	36.3	34.9	33.7	33.5
Employed	488	442	431	502	418	485	445	456	448
Employment-population ratio	22.9	21.2	20.7	23.5	20.0	23.3	21.3	21.9	21.4
Unemployed	263	237	229	287	265	292	284	247	251
Unemployment rate	35.0	34.9	34.7	36.4	38.8	38.6	39.0	35.1	36.0
Men	36.6	35.7	35.3	37.0	38.7	40.7	38.1	38.4	35.7
Women	33.3	33.9	33.9	35.7	41.4	35.9	42.1	33.8	36.3

See footnotes at end of table.

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

(Numbers in thousands)

Employment status, race, sex, age, and Hispanic origin	Not seasonally adjusted			Seasonally adjusted[1]					
	Dec. 1990	Nov. 1991	Dec. 1991	Dec. 1990	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991	Dec. 1991
HISPANIC ORIGIN									
Civilian noninstitutional population	14,514	14,948	14,987	14,514	14,829	14,869	14,908	14,948	14,987
Civilian labor force	9,472	9,617	9,757	9,581	9,752	9,852	9,900	9,848	9,875
Participation rate	65.3	65.7	65.1	66.0	65.8	66.3	66.4	65.9	65.9
Employed	8,586	8,812	8,810	8,678	8,781	8,782	8,865	8,844	8,815
Employemnt-population rate	59.2	58.9	58.8	59.8	59.2	59.1	59.5	59.2	59.5
Unemployed	887	1,006	948	903	971	1,070	1,035	1,004	960
Unemployment rate	9.4	10.2	9.7	9.4	10.0	10.9	10.5	10.2	9.7

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

NOTE: Detail for the above race and Hispanic-origin groups will not sum to totals because data for the "other races" group are not presented and Hispanics are included in both the white and black population groups. Seasonally adjusted data have been revised based on the experience through December 1991.

Table A-3. Selected employment indicators

(In thousands)

Category	Not seasonally adjusted			Seasonally adjusted					
	Dec. 1990	Nov. 1991	Dec. 1991	Dec. 1990	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991	Dec. 1991
CHARACTERISTIC									
Civilian employed, 16 years and over	117,287	117,110	116,549	117,476	116,484	117,089	116,867	116,772	116,728
Married men, spouse present	40,795	40,629	40,312	40,691	40,457	40,440	40,472	40,398	40,206
Married women, spouse present	29,951	30,148	29,987	29,758	29,866	29,833	29,838	29,803	29,779
Women who maintain families	6,484	6,542	6,629	6,371	6,475	6,551	6,469	6,501	6,536
OCCUPATION									
Managerial and professional specialty	30,823	31,313	31,865	30,760	30,923	31,041	31,139	31,218	31,796
Technical, sales, and administrative support	36,513	36,017	35,774	36,326	35,935	36,030	36,045	35,862	35,626
Service occupations	15,860	16,034	16,026	15,891	15,957	16,061	16,051	16,121	16,076
Precision production, craft, and repair	13,435	13,116	12,903	13,522	13,103	13,064	13,129	13,023	12,982
Operators, fabricators, and laborers	17,656	17,394	17,018	17,564	17,117	17,383	17,138	17,189	16,922
Farming, forestry, and fishing	3,001	3,235	2,964	3,481	3,463	3,452	3,439	3,460	3,420
INDUSTRY AND CLASS OF WORKER									
Agriculture:									
Wage and salary workers	1,507	1,614	1,478	1,677	1,699	1,715	1,654	1,683	1,646
Self-employed workers	1,354	1,462	1,300	1,487	1,467	1,437	1,440	1,486	1,431
Unpaid family workers	82	105	85	103	107	117	121	115	108
Nonagricultural industries:									
Wage and salary workers	105,195	104,674	104,685	104,897	104,237	104,645	104,527	104,291	104,407
Government	17,939	18,122	18,156	17,692	17,903	17,944	18,135	17,812	17,915
Private industries	87,256	86,552	86,529	87,205	86,334	86,701	86,392	86,479	86,492
Private households	1,012	938	954	1,012	1,035	1,013	993	954	953
Other industries	86,244	85,614	85,575	86,193	85,299	85,688	85,399	85,525	85,539
Self-employed workers	8,927	9,029	8,790	8,896	8,867	8,955	8,950	8,950	8,758
Unpaid family workers	222	226	212	238	215	201	232	231	229
PERSONS AT WORK PART TIME[1]									
All industries:									
Part time for economic reasons	5,497	6,338	6,221	5,600	5,966	6,327	6,304	6,408	6,321
Slack work	3,074	3,343	3,325	3,016	3,137	3,358	3,384	3,297	3,246
Could only find part-time work	2,199	2,705	2,620	2,300	2,601	2,663	2,631	2,758	2,743
Voluntary part time	16,119	15,999	15,907	15,079	15,035	15,021	14,980	14,924	14,893
Nonagricultural industries:									
Part time for economic reasons	5,211	6,018	5,959	5,331	5,710	6,040	6,055	6,123	6,084
Slack work	2,850	3,103	3,124	2,825	2,968	3,158	3,196	3,102	3,081
Could only find part-time work	2,140	2,634	2,560	2,223	2,517	2,584	2,565	2,688	2,664
Voluntary part time	15,740	15,558	15,515	14,648	14,589	14,561	14,497	14,463	14,450

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

NOTE: Seasonally adjusted data have been revised based on the experience through December 1991.

Table A-4. Selected unemployment indicators, seasonally adjusted

Category	Number of unemployed persons (in thousands)			Unemployment rates[1]					
	Dec. 1990	Nov. 1991	Dec. 1991	Dec. 1990	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991	Dec. 1991
CHARACTERISTIC									
Total, 16 years and over	7,668	8,602	8,891	6.1	6.8	6.8	6.9	6.9	7.1
Men, 20 years and over	3,672	4,150	4,290	5.7	6.5	6.5	6.5	6.4	6.6
Women, 20 years and over	2,792	3,181	3,298	5.2	5.7	5.6	5.8	5.9	6.1
Both sexes, 16 to 19 years	1,204	1,271	1,305	16.8	19.0	18.2	18.9	18.7	19.3
Married men, spouse present	1,629	1,925	1,999	3.8	4.4	4.5	4.2	4.5	4.7
Married women, spouse present	1,271	1,436	1,524	4.1	4.4	4.5	4.5	4.6	4.9
Women who maintain families	613	651	652	8.8	9.4	9.0	9.4	9.1	9.1
Full-time workers	6,267	7,031	7,309	5.8	6.6	6.5	6.6	6.5	6.8
Part-time workers	1,370	1,540	1,547	7.7	8.3	8.4	8.4	8.6	8.6
Labor force time lost[2]	-	-	-	7.0	7.7	7.7	7.7	7.9	8.1
OCCUPATION[3]									
Managerial and professional specialty	721	933	944	2.3	2.9	2.8	2.9	2.9	2.9
Technical, sales, and administrative support	1,625	2,004	2,101	4.8	5.1	5.1	5.2	5.3	5.6
Precision production, craft, and repair	1,032	1,165	1,166	7.1	8.2	8.0	8.1	8.2	8.3
Operators, fabricators, and laborers	1,897	1,920	2,029	9.7	10.3	10.0	10.1	10.0	10.7
Farming, forestry, and fishing	261	307	280	7.0	7.9	7.9	7.8	8.1	7.6
INDUSTRY									
Nonagricultural private wage and salary workers	5,910	6,748	6,909	6.3	7.1	7.0	7.1	7.2	7.4
Goods-producing industries	2,368	2,615	2,554	8.2	9.0	8.9	9.0	9.3	9.2
Mining	47	68	61	8.5	7.7	9.6	8.3	9.2	8.2
Construction	873	960	971	14.1	15.4	15.7	16.1	16.1	16.3
Manufacturing	1,448	1,586	1,522	6.7	7.2	6.9	7.0	7.4	7.2
Durable goods	875	868	888	6.8	7.4	7.0	7.4	7.1	7.3
Nondurable goods	573	718	634	6.4	7.0	6.8	6.4	7.9	7.1
Service-producing industries	3,542	4,133	4,355	5.5	6.2	6.2	6.3	6.3	6.6
Transportation and public utilities	283	387	456	4.3	5.2	4.9	5.1	5.7	6.7
Wholesale and retail trade	1,586	1,779	1,858	6.7	7.6	7.6	7.7	7.5	7.8
Finance and service industries	1,673	1,967	2,041	4.9	5.5	5.4	5.5	5.7	5.8
Government workers	494	624	654	2.7	3.3	3.4	3.5	3.4	3.5
Agricultural wage and salary workers	240	238	214	12.5	11.8	11.2	11.9	12.4	11.5

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

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

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

NOTE: Data have been revised based on the experience through December 1991.

Table A-5. Duration of unemployment

(Numbers in thousands)

Weeks of unemployment	Not seasonally adjusted			Seasonally adjusted					
	Dec. 1990	Nov. 1991	Dec. 1991	Dec. 1990	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991	Dec. 1991
DURATION									
Less than 5 weeks	3,057	3,306	3,053	3,316	3,386	3,344	3,300	3,289	3,307
5 to 14 weeks	2,614	2,562	2,827	2,562	2,686	2,798	2,774	2,721	2,764
15 weeks and over	1,673	2,418	2,678	1,774	2,417	2,422	2,570	2,623	2,843
15 to 26 weeks	908	1,160	1,284	966	1,258	1,260	1,415	1,300	1,372
27 weeks and over	765	1,257	1,394	808	1,159	1,162	1,155	1,323	1,471
Average (mean) duration, in weeks	12.7	14.8	15.6	12.5	14.1	14.2	14.6	14.9	15.3
Median duration, in weeks	6.1	7.1	8.1	5.9	7.2	7.4	7.4	7.7	7.6
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	41.6	39.9	35.7	43.3	39.9	39.0	38.2	38.1	37.1
5 to 14 weeks	35.6	30.9	33.0	33.5	31.6	32.7	32.1	31.5	31.0
15 weeks and over	22.8	29.2	31.3	23.2	28.5	28.3	29.7	30.4	31.9
15 to 26 weeks	12.4	14.0	15.0	12.6	14.8	14.7	16.4	15.1	15.4
27 weeks and over	10.4	15.2	16.3	10.6	13.7	13.6	13.4	15.3	16.5

Table A-6. Reason for unemployment

(Numbers in thousands)

Reasons	Not seasonally adjusted			Seasonally adjusted					
	Dec. 1990	Nov. 1991	Dec. 1991	Dec. 1990	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991	Dec. 1991
NUMBER OF UNEMPLOYED									
Job losers	3,956	4,556	5,091	3,880	4,690	4,805	4,782	4,696	4,990
On layoff	1,264	1,112	1,343	1,182	1,286	1,149	1,230	1,196	1,256
Other job losers	2,692	3,444	3,748	2,698	3,404	3,656	3,552	3,500	3,734
Job leavers	957	1,004	837	1,044	892	946	986	987	913
Reentrants	1,886	2,033	1,942	2,112	2,107	2,036	2,100	2,108	2,164
New entrants	542	694	668	666	773	783	813	774	811
PERCENT DISTRIBUTION									
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	53.9	55.0	59.5	50.4	55.4	56.1	55.1	54.8	56.2
On layoff	17.2	13.4	15.7	15.3	15.2	13.4	14.2	14.0	14.1
Other job losers	36.7	41.6	43.8	35.0	40.2	42.7	40.9	40.9	42.1
Job leavers	13.0	12.1	9.8	13.6	10.5	11.0	11.4	11.5	10.3
Reentrants	25.7	24.5	22.7	27.4	24.9	23.8	24.2	24.6	24.4
New entrants	7.4	8.4	8.0	8.6	9.1	9.1	9.4	9.0	9.1
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE									
Job losers	3.2	3.6	4.1	3.1	3.8	3.8	3.8	3.7	4.0
Job leavers	.8	.8	.7	.8	.7	.8	.8	.8	.7
Reentrants	1.5	1.6	1.6	1.7	1.7	1.6	1.7	1.7	1.7
New entrants	.4	.6	.6	.5	.6	.6	.6	.6	.6

NOTE: Seasonally adjusted data have been revised based on the experience through December 1991.

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

(Percent)

Measure	Quarterly averages					Monthly data		
	1990	1991				1991		
	IV	I	II	III	IV	Oct.	Nov.	Dec.
U-1 Persons unemployed 15 weeks or longer as a percent of the civilian labor force	1.4	1.6	1.8	1.9	2.1	2.0	2.1	2.3
U-2 Job losers as a percent of the civilian labor force	3.0	3.5	3.7	3.8	3.8	3.8	3.7	4.0
U-3 Unemployed persons 25 years and over as a percent of the civilian labor force for persons 25 years and over	4.8	5.3	5.4	5.4	5.5	5.5	5.5	5.6
U-4 Unemployed full-time jobseekers as a percent of the full-time civilian labor force	5.7	6.2	6.5	6.5	6.6	6.6	6.5	6.8
U-5a Total unemployed as a percent of the labor force, including the resident Armed Forces	5.9	6.4	6.7	6.7	6.9	6.8	6.8	7.0
U-5b Total unemployed as a percent of the civilian labor force	6.0	6.5	6.7	6.8	6.9	6.9	6.9	7.1
U-6 Total full-time jobseekers plus 1/2 part-time jobseekers plus 1/2 total on part time for economic reasons as a percent of the civilian labor force less 1/2 of the part-time labor force	8.2	8.9	9.2	9.3	9.5	9.4	9.5	9.6
U-7 Total full-time jobseekers plus 1/2 part-time jobseekers plus 1/2 total on part time for economic reasons plus discouraged workers as a percent of the civilian labor force plus discouraged workers less 1/2 of the part-time labor force	8.9	9.7	9.9	10.1	10.4	N.A.	N.A.	N.A.

N.A. = not available.
NOTE: Data have been revised based on the experience through December 1991.

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

Sex and age	Number of unemployed persons (in thousands)			Unemployment rates[1]					
	Dec. 1990	Nov. 1991	Dec. 1991	Dec. 1990	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991	Dec. 1991
Total, 16 years and over	7,668	8,602	8,891	6.1	6.8	6.8	6.9	6.9	7.1
16 to 24 years	2,479	2,797	2,942	11.8	13.5	13.4	13.8	13.8	14.3
16 to 19 years	1,204	1,271	1,305	16.8	19.0	18.2	18.9	18.7	19.3
16 to 17 years	520	552	608	19.0	21.7	20.8	21.6	20.9	22.7
18 to 19 years	688	716	702	15.5	17.1	17.1	17.1	17.2	17.2
20 to 24 years	1,275	1,526	1,637	9.2	10.8	11.1	11.3	11.1	11.9
25 years and over	5,153	5,771	5,919	4.9	5.5	5.5	5.5	5.5	5.6
25 to 54 years	4,672	5,202	5,319	5.3	5.7	5.8	5.8	5.8	5.9
55 years and over	500	608	628	3.2	4.1	3.9	3.8	4.0	4.2
Men, 16 years and over	4,348	4,845	4,990	6.3	7.2	7.2	7.1	7.1	7.3
16 to 24 years	1,394	1,532	1,595	12.5	14.3	14.6	14.4	14.3	14.8
16 to 19 years	674	695	700	17.7	19.7	19.6	19.2	19.6	20.3
16 to 17 years	296	285	291	20.2	22.6	21.6	21.7	21.3	21.7
18 to 19 years	375	408	405	16.1	17.6	18.5	17.5	18.8	19.2
20 to 24 years	720	837	895	9.8	11.8	12.1	12.0	11.6	12.3
25 years and over	2,932	3,292	3,379	5.1	5.6	5.6	5.7	5.7	5.9
25 to 54 years	2,627	2,975	3,025	5.4	6.0	6.1	6.1	6.1	6.2
55 years and over	315	355	371	3.6	4.7	4.3	4.1	4.1	4.3
Women, 16 years and over	3,322	3,757	3,901	5.9	6.4	6.2	6.6	6.6	6.8
16 to 24 years	1,085	1,265	1,347	11.0	12.5	12.1	13.2	12.9	13.8
16 to 19 years	530	576	605	15.6	18.2	16.6	18.5	17.4	18.4
16 to 17 years	224	267	317	17.5	20.7	19.8	21.4	20.6	23.9
18 to 19 years	313	308	297	14.8	16.2	15.4	16.6	15.5	15.0
20 to 24 years	555	689	742	8.5	9.7	9.9	10.4	10.6	11.4
25 years and over	2,221	2,479	2,540	4.8	5.2	5.1	5.2	5.3	5.4
25 to 54 years	2,045	2,227	2,294	5.1	5.4	5.4	5.4	5.5	5.6
55 years and over	185	253	257	2.8	3.4	3.4	3.3	3.9	3.9

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

NOTE: Data have been revised based on the experience through December 1991.

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

(Numbers in thousands)

Veteran status and age	Civilian noninstitutional population		Civilian labor force							
			Total		Employed		Unemployed			
							Number		Percent of labor force	
	Dec. 1990	Dec. 1991	Dec. 1990	Dec. 1991	Dec. 1990	Dec. 1991	Dec. 1990	Dec. 1991	Dec. 1990	Dec. 1991
VIETNAM-ERA VETERANS										
Total, 35 years and over	7,709	7,823	6,984	7,013	6,588	6,652	396	360	5.7	5.1
35 to 49 years	6,501	6,390	6,107	5,927	5,746	5,620	361	308	5.9	5.2
35 to 39 years	1,295	1,053	1,205	961	1,106	888	99	73	8.2	7.6
40 to 44 years	3,229	2,918	3,054	2,693	2,893	2,553	160	140	5.3	5.2
45 to 49 years	1,977	2,419	1,848	2,273	1,747	2,178	101	95	5.5	4.2
50 years and over	1,208	1,433	877	1,086	842	1,033	35	53	4.0	4.9
NONVETERANS										
Total, 35 to 49 years	17,765	18,898	16,678	17,625	15,907	16,659	771	967	4.6	5.5
35 to 39 years	8,149	8,596	7,755	8,113	7,389	7,638	366	475	4.7	5.9
40 to 44 years	5,400	5,964	5,031	5,543	4,839	5,254	192	289	3.8	5.2
45 to 49 years	4,217	4,336	3,892	3,969	3,679	3,767	213	203	5.5	5.1

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

HOUSEHOLD DATA

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

(Numbers in thousands)

State and employment status	Not seasonally adjusted[1]			Seasonally adjusted[2]					
	Dec. 1990	Nov. 1991	Dec. 1991	Dec. 1990	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991	Dec. 1991
California									
Civilian noninstitutional population	22,166	22,614	22,656	22,166	22,486	22,528	22,571	22,614	22,656
Civilian labor force	14,580	14,998	15,010	14,675	14,885	15,006	14,988	14,968	15,113
Employed	13,622	13,908	13,903	13,672	13,796	13,863	13,820	13,865	13,950
Unemployed	958	1,090	1,107	1,003	1,089	1,153	1,168	1,103	1,163
Unemployment rate	6.6	7.3	7.4	6.8	7.3	7.7	7.8	7.4	7.7
Florida									
Civilian noninstitutional population	10,230	10,445	10,465	10,230	10,384	10,404	10,424	10,445	10,465
Civilian labor force	6,389	6,505	6,404	6,434	6,480	6,474	6,456	6,496	6,424
Employed	6,037	6,046	5,938	6,078	5,956	5,958	5,989	6,034	5,947
Unemployed	352	459	466	356	524	516	467	461	477
Unemployment rate	5.5	7.1	7.3	5.5	8.1	8.0	7.2	7.1	7.4
Illinois									
Civilian noninstitutional population	8,894	8,935	8,939	8,894	8,922	8,926	8,931	8,935	8,939
Civilian labor force	6,028	5,969	6,018	6,069	6,035	5,995	5,956	5,954	6,056
Employed	5,672	5,468	5,465	5,707	5,598	5,569	5,494	5,449	5,491
Unemployed	356	501	553	362	437	426	461	505	565
Unemployment rate	5.9	8.4	9.2	6.0	7.2	7.1	7.7	8.5	9.3
Massachusetts									
Civilian noninstitutional population	4,622	4,626	4,627	4,622	4,624	4,624	4,625	4,626	4,627
Civilian labor force	3,115	3,132	3,146	3,152	3,047	3,141	3,155	3,184	3,174
Employed	2,897	2,882	2,897	2,921	2,768	2,853	2,875	2,894	2,908
Unemployed	218	250	249	231	279	288	280	270	266
Unemployment rate	7.0	8.0	7.9	7.3	9.2	9.2	8.9	8.5	8.4
Michigan									
Civilian noninstitutional population	7,009	7,025	7,027	7,009	7,019	7,020	7,023	7,025	7,027
Civilian labor force	4,565	4,564	4,575	4,547	4,428	4,502	4,510	4,545	4,564
Employed	4,237	4,153	4,185	4,214	4,026	4,065	4,112	4,106	4,149
Unemployed	327	411	390	333	402	437	398	439	415
Unemployment rate	7.2	9.0	8.5	7.3	9.1	9.7	8.8	9.7	9.1
New Jersey									
Civilian noninstitutional population	6,026	6,026	6,026	6,026	6,025	6,025	6,026	6,026	6,026
Civilian labor force	4,034	3,966	3,993	4,050	4,033	4,047	4,052	3,973	3,989
Employed	3,807	3,698	3,711	3,818	3,764	3,795	3,778	3,689	3,695
Unemployed	227	268	282	232	269	252	274	284	294
Unemployment rate	5.6	6.8	7.1	5.7	6.7	6.2	6.8	7.1	7.4
New York									
Civilian noninstitutional population	13,803	13,805	13,806	13,803	13,801	13,802	13,803	13,805	13,806
Civilian labor force	8,564	8,536	8,438	8,558	8,536	8,601	8,561	8,547	8,453
Employed	8,098	7,875	7,780	8,088	7,894	8,016	7,943	7,863	7,769
Unemployed	466	661	658	470	642	585	618	684	684
Unemployment rate	5.4	7.7	7.8	5.5	7.5	6.8	7.2	8.0	8.1
North Carolina									
Civilian noninstitutional population	5,026	5,086	5,092	5,026	5,069	5,075	5,080	5,086	5,092
Civilian labor force	3,398	3,470	3,414	3,420	3,476	3,545	3,491	3,467	3,434
Employed	3,222	3,274	3,225	3,242	3,272	3,336	3,305	3,275	3,239
Unemployed	174	196	189	178	204	209	186	192	195
Unemployment rate	5.1	5.7	5.5	5.2	5.9	5.9	5.3	5.5	5.7
Ohio									
Civilian noninstitutional population	8,298	8,323	8,325	8,298	8,314	8,316	8,320	8,323	8,325
Civilian labor force	5,484	5,457	5,438	5,488	5,373	5,443	5,396	5,435	5,446
Employed	5,169	5,167	5,086	5,179	5,008	5,095	5,101	5,128	5,088
Unemployed	315	290	353	309	365	348	295	307	358
Unemployment rate	5.7	5.3	6.5	5.6	6.8	6.4	5.5	5.6	6.6

See footnotes at end of table.

HOUSEHOLD DATA

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

(Numbers in thousands)

State and employment status	Not seasonally adjusted[1]			Seasonally adjusted[2]					
	Dec. 1990	Nov. 1991	Dec. 1991	Dec. 1990	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991	Dec. 1991
Pennsylvania									
Civilian noninstitutional population	9,402	9,425	9,428	9,402	9,418	9,419	9,422	9,425	9,428
Civilian labor force	5,891	5,975	5,930	5,922	5,908	5,921	5,994	5,966	5,948
Employed	5,567	5,589	5,531	5,585	5,475	5,520	5,606	5,576	5,526
Unemployed	324	386	399	337	433	401	388	390	422
Unemployment rate	5.5	6.5	6.7	5.7	7.3	6.8	6.5	6.5	7.1
Texas									
Civilian noninstitutional population	12,447	12,594	12,608	12,447	12,551	12,565	12,580	12,594	12,608
Civilian labor force	8,521	8,559	8,562	8,540	8,467	8,515	8,553	8,517	8,596
Employed	7,965	7,980	7,987	7,945	7,920	7,956	7,881	7,956	7,983
Unemployed	557	580	575	595	547	559	672	561	613
Unemployment rate	6.5	6.8	6.7	7.0	6.5	6.6	7.9	6.6	7.1

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

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

NOTE: Revised seasonal adjustment factors are not yet available for State data. The seasonally adjusted series will be revised for the release of January data on February 7.

HOUSEHOLD DATA

Table A-11. Persons not in the labor force by reason, sex, and race, quarterly averages

(In thousands)

Reason, sex, and race	Not seasonally adjusted		Seasonally adjusted				
	1990	1991	1990	1991			
	IV	IV	IV	I	II	III	IV
TOTAL							
Total not in labor force	63,872	65,091	63,783	64,093	64,047	64,712	64,949
Do not want a job now	58,463	59,273	58,254	58,321	58,679	58,833	59,157
Current activity: Going to school	8,232	8,277	8,740	8,665	8,829	8,914	8,814
Ill, disabled	5,038	5,088	5,088	4,956	4,869	5,031	5,128
Keeping house	23,438	22,747	23,639	23,181	23,366	23,188	22,942
Retired	18,367	19,369	18,571	19,034	19,130	19,385	19,575
Other activity	3,368	3,794	4,216	4,484	4,463	4,315	4,698
Want a job now	5,409	5,819	5,515	5,685	5,551	5,797	5,932
Reason not looking: School attendance	1,385	1,382	1,400	1,431	1,381	1,485	1,412
Ill health, disability	949	1,009	948	997	903	1,008	1,010
Home responsibilities	1,093	1,268	1,127	1,194	1,165	1,172	1,300
Think cannot get a job	954	1,102	956	982	952	1,064	1,094
Job-market factors	603	741	598	647	698	699	732
Personal factors	351	361	358	335	254	366	362
Other reasons[1]	1,028	1,060	1,084	1,081	1,150	1,068	1,117
Men							
Total not in labor force	21,814	22,784	21,546	21,916	21,928	22,205	22,480
Do not want a job now	19,927	20,845	19,547	19,706	19,990	20,092	20,334
Want a job now	1,887	2,119	1,949	2,101	2,030	2,155	2,204
Reason not looking: School attendance	625	712	651	739	654	711	755
Ill health, disability	459	511	458	527	441	507	511
Think cannot get a job	378	424	391	407	426	470	438
Other reasons[1]	425	472	449	428	511	466	500
Women							
Total not in labor force	42,058	42,327	42,235	42,177	42,120	42,507	42,469
Do not want a job now	38,536	38,428	38,707	38,616	38,689	38,741	38,823
Want a job now	3,522	3,899	3,566	3,564	3,521	3,842	3,726
Reason not looking: School attendance	760	670	749	692	727	774	657
Ill health, disability	490	497	490	470	462	500	499
Home responsibilities	1,093	1,267	1,127	1,194	1,165	1,172	1,300
Think cannot get a job	576	678	565	575	527	594	656
Other reasons	603	587	635	633	640	602	617
White							
Total not in labor force	53,722	54,488	53,622	53,750	53,723	54,248	54,321
Do not want a job now	49,918	50,312	49,650	49,590	49,984	50,078	50,041
Want a job now	3,783	4,186	3,901	4,129	3,826	4,279	4,301
Reason not looking: School attendance	839	935	892	1,019	928	1,080	991
Ill health, disability	720	762	737	714	627	782	775
Home responsibilities	794	881	819	899	829	870	912
Think cannot get a job	642	781	618	648	621	736	748
Other reasons[1]	787	828	836	849	821	811	875
Black							
Total not in labor force	7,889	8,214	7,898	7,983	8,005	8,078	8,226
Do not want a job now	6,464	6,852	6,453	6,668	6,590	6,799	6,842
Want a job now	1,425	1,362	1,397	1,294	1,459	1,341	1,349
Reason not looking: School attendance	464	358	425	324	378	394	336
Ill health, disability	194	225	188	236	240	211	219
Home responsibilities	267	333	284	278	281	245	330
Think cannot get a job	261	259	274	271	318	270	267
Other reasons[1]	219	187	225	188	241	222	196

[1] Includes small number of men not looking for work because of "home responsibilities."

NOTE: Seasonally adjusted data have been revised based on the experience through December 1991.

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-1. Employees on nonfarm payrolls by industry

(In thousands)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Dec. 1990	Oct. 1991	Nov. 1991p/	Dec. 1991p/	Dec. 1990	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991p/	Dec. 1991p/
Total					108.421	108.671	108.866	109.073	108.808	108.839
Total private	91.756	91.884	90.916	90.829	91.268	90.557	90.642	90.686	90.343	90.308
Goods-producing industries	24.536	24.070	23.801	23.542	24.375	23.826	23.797	23.727	23.595	23.572
Mining	716	687	679	671	715	695	684	679	676	670
Oil and gas extraction	402.2	384.1	380.1	377.8	399	390	385	382	377	375
Construction	6.842	6.886	6.707	6.536	6.911	6.691	6.699	6.671	6.583	6.596
General building contractors	1,255.0	1,190.3	1,159.2	1,138.2	1,237	1,165	1,161	1,151	1,138	1,142
Manufacturing	18.778	18.497	18.413	18.335	18.749	18.442	18.414	18.377	18.358	18.386
Production workers	12.694	12.556	12.476	12.409	12.672	12.488	12.456	12.435	12.403	12.391
Durable goods	10.858	10.563	10.508	10.453	10.828	10.553	10.531	10.493	10.459	10.425
Production workers	7.171	6.983	6.945	6.911	7.148	6.983	6.956	6.933	6.910	6.893
Lumber and wood products	707.1	704.7	698.1	692.6	714	708	696	698	697	699
Furniture and fixtures	497.1	485.6	484.8	481.0	493	483	482	481	480	477
Stone, clay, and glass products	535.9	529.9	522.9	512.2	539	523	522	523	517	516
Primary metal industries	745.5	714.2	710.6	708.8	742	722	719	713	710	707
Blast furnaces and basic steel products	273.1	256.8	253.6	256.5	273	260	260	258	256	256
Fabricated metal products	1,402.3	1,365.2	1,360.2	1,356.5	1,395	1,361	1,358	1,356	1,351	1,346
Industrial machinery and equipment	2,059.9	1,966.2	1,953.0	1,932.5	2,036	1,980	1,980	1,968	1,955	1,947
Electronic and other electrical equipment	1,635.5	1,581.1	1,580.0	1,576.4	1,628	1,583	1,581	1,573	1,572	1,572
Transportation equipment	1,916.9	1,868.6	1,856.8	1,848.4	1,902	1,868	1,861	1,850	1,851	1,837
Motor vehicles and equipment	778.9	799.5	800.0	797.8	770	797	795	789	788	791
Instruments and related products	992.2	962.7	961.2	959.1	989	966	967	964	960	959
Miscellaneous manufacturing	369.6	374.9	372.6	367.8	372	365	365	367	364	369
Nondurable goods	7,920	7,956	7,915	7,882	7,921	7,889	7,883	7,884	7,879	7,881
Production workers	5,523	5,571	5,531	5,498	5,524	5,505	5,502	5,502	5,493	5,498
Food and kindred products	1,661.4	1,720.2	1,684.2	1,668.3	1,672	1,685	1,676	1,672	1,671	1,670
Tobacco products	52.8	50.5	48.9	50.9	49	50	49	48	47	48
Textile mill products	670.9	673.6	674.3	674.9	671	670	670	672	673	676
Apparel and other textile products	1,017.4	1,048.4	1,032.4	1,045.1	1,017	1,031	1,036	1,039	1,043	1,044
Paper and allied products	695.8	691.8	691.0	691.4	695	692	692	691	691	691
Printing and publishing	1,575.0	1,526.1	1,528.8	1,533.7	1,569	1,531	1,530	1,528	1,523	1,525
Chemicals and allied products	1,093.4	1,089.5	1,087.1	1,090.8	1,095	1,088	1,090	1,092	1,090	1,092
Petroleum and coal products	156.7	160.8	158.9	155.5	159	160	159	159	158	157
Rubber and misc. plastics products	874.2	869.7	866.3	868.7	873	863	862	864	863	859
Leather and leather products	124.2	120.9	121.1	118.5	125	121	121	119	120	119
Service-producing industries	86.073	85.726	85.983	86.116	85.246	85.145	85.269	85.346	85.213	85.267
Transportation and public utilities	5.917	5.878	5.867	5.851	5.867	5.820	5.829	5.828	5.819	5.796
Transportation	3.649	3.621	3.616	3.610	3.595	3.564	3.569	3.571	3.566	3.553
Communications and public utilities	2.268	2.257	2.251	2.241	2.272	2.256	2.260	2.257	2.253	2.243
Wholesale trade	6.172	6.065	6.048	6.023	6.166	6.050	6.049	6.047	6.032	6.017
Durable goods	3.600	3.490	3.484	3.474	3.596	3.508	3.493	3.490	3.481	3.471
Nondurable goods	2.572	2.575	2.564	2.549	2.570	2.550	2.554	2.557	2.551	2.546
Retail trade	20.182	19.288	19.522	19.775	19.579	19.363	19.338	19.288	19.196	19.180
General merchandise stores	2,720.5	2,537.1	2,451.5	2,561.5	2,444	2,349	2,342	2,321	2,287	2,283
Food stores	3,312.3	3,229.4	3,252.7	3,277.6	3,242	3,227	3,226	3,220	3,211	3,207
Automotive dealers and service stations	2,055.3	2,046.1	2,036.7	2,027.0	2,067	2,038	2,035	2,038	2,037	2,037
Eating and drinking places	6,565.0	6,538.7	6,512.2	6,521.7	6,601	6,563	6,569	6,558	6,552	6,554
Finance, insurance, and real estate	6.714	6.677	6.671	6.678	6.733	6.687	6.692	6.697	6.692	6.696
Finance	3.296	3.269	3.272	3.282	3.296	3.276	3.283	3.282	3.275	3.282
Insurance	2.125	2.116	2.116	2.115	2.128	2.123	2.122	2.122	2.122	2.117
Real estate	1.293	1.292	1.283	1.281	1.309	1.288	1.287	1.293	1.295	1.297
Services	28.455	29.106	29.009	28.960	28.548	28.831	28.937	29.019	29.009	29.067
Business services	5.291	5.444	5.387	5.360	5.275	5.321	5.336	5.374	5.339	5.339
Health services	8.025.7	8.356	8.390	8.434.2	8.032	8.289	8.321	8.365	8.398	8.443
Government	18.453	18.712	18.866	18.829	18.353	18.414	18.424	18.467	18.465	18.531
Federal	2.940	2.968	2.964	2.971	2.948	2.967	2.979	2.983	2.979	2.980
State	4.430	4.436	4.466	4.423	4.347	4.337	4.328	4.332	4.340	4.552
Local	11.283	11.308	11.436	11.423	11.058	11.110	11.117	11.152	11.146	11.199

p/ = preliminary.

ESTABLISHMENT DATA

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

Industry	Not seasonally adjusted				Seasonally adjusted					
	Dec. 1990	Oct. 1991	Nov. 1991p/	Dec. 1991p/	Dec. 1990	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991p/	Dec. 1991p/
Total private	34.7	34.4	34.3	34.7	34.6	34.3	34.5	34.3	34.4	34.5
Mining	45.5	44.6	44.6	44.5	44.8	44.5	44.1	43.9	44.3	43.7
Construction	38.3	39.1	37.6	37.9	(2)	(2)	(2)	(2)	(2)	(2)
Manufacturing	41.5	41.1	41.3	41.7	40.7	41.0	41.0	40.9	41.0	41.1
Overtime hours	3.8	3.9	4.0	4.1	3.5	3.8	3.7	3.7	3.7	3.8
Durable goods	41.9	41.6	41.6	42.3	41.2	41.4	41.3	41.4	41.4	41.5
Overtime hours	3.9	3.9	3.9	4.1	3.6	3.8	3.7	3.7	3.7	3.8
Lumber and wood products	40.2	40.4	40.4	41.2	40.0	40.2	40.3	40.0	40.6	40.9
Furniture and fixtures	39.8	39.5	39.1	40.7	38.8	39.1	39.1	39.1	38.8	39.6
Stone, clay, and glass products	41.8	42.5	41.9	41.9	42.0	41.6	42.0	41.9	41.5	42.0
Primary metal industries	42.9	42.7	42.8	43.1	42.3	43.0	42.8	42.7	42.5	42.5
Blast furnaces and basic steel products	43.7	43.3	43.4	43.3	43.2	43.9	43.7	43.5	43.1	43.0
Fabricated metal products	41.9	41.8	41.8	42.6	41.1	41.6	41.7	41.6	41.4	41.8
Industrial machinery and equipment	43.0	41.8	42.0	42.9	42.1	42.0	42.1	41.8	41.8	41.9
Electronic and other electrical equipment	41.7	40.8	41.5	42.2	40.7	40.8	40.7	40.6	41.1	41.2
Transportation equipment	42.3	42.8	42.5	42.5	41.5	42.4	42.3	42.5	42.3	41.9
Motor vehicles and equipment	42.8	43.6	42.7	42.7	41.5	43.3	43.0	43.1	42.4	42.3
Instruments and related products	42.0	40.9	41.7	42.5	41.2	41.0	41.3	40.9	41.3	41.6
Miscellaneous manufacturing	39.9	40.3	40.4	40.6	39.5	40.1	40.2	39.8	39.7	40.0
Nondurable goods	40.5	40.6	40.8	41.1	40.0	40.4	40.3	40.4	40.5	40.6
Overtime hours	3.7	4.0	4.0	4.0	3.6	3.8	3.7	3.8	3.8	3.9
Food and kindred products	41.5	40.9	41.2	41.2	40.9	40.5	40.6	40.6	40.8	40.6
Tobacco products	39.9	40.2	38.5	40.2	(2)	(2)	(2)	(2)	(2)	(2)
Textile mill products	39.7	41.6	41.7	41.8	39.4	41.4	41.3	41.3	41.4	41.6
Apparel and other textile products	36.9	37.6	37.6	37.8	36.6	37.3	37.3	37.4	37.3	37.5
Paper and allied products	44.2	43.6	43.9	44.5	43.5	43.5	43.4	43.4	43.5	43.7
Printing and publishing	38.4	37.9	38.4	38.8	37.8	37.8	37.6	37.8	38.1	38.2
Chemicals and allied products	43.5	43.1	43.8	44.4	42.9	43.2	43.2	43.2	43.5	43.7
Petroleum and coal products	43.9	44.1	44.4	43.9	(2)	(2)	(2)	(2)	(2)	(2)
Rubber and misc. plastics products	41.5	41.4	41.7	42.0	41.0	41.4	41.2	41.4	41.5	41.5
Leather and leather products	37.7	37.2	37.7	37.5	37.3	37.5	37.7	37.1	38.1	37.1
Transportation and public utilities	39.1	38.6	38.6	38.9	39.0	38.7	38.9	38.6	38.6	38.8
Wholesale trade	38.4	38.2	38.1	38.5	38.3	38.2	38.2	38.1	38.1	38.3
Retail trade	29.2	28.4	28.5	29.0	28.7	28.6	28.8	28.4	28.8	28.5
Finance, insurance, and real estate	36.2	35.5	35.7	36.3	(2)	(2)	(2)	(2)	(2)	(2)
Services	32.7	32.4	32.4	32.7	32.8	32.4	32.6	32.4	32.5	32.7

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

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

p = preliminary.

ESTABLISHMENT DATA

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

Industry	Average hourly earnings				Average weekly earnings			
	Dec. 1990	Oct. 1991	Nov. 1991p/	Dec. 1991p/	Dec. 1990	Oct. 1991	Nov. 1991p/	Dec. 1991p/
Total private	$10.19	$10.44	$10.46	$10.51	$353.59	$359.14	$358.78	$364.70
[illegible]	10.17	10.40	10.43	10.50	351.88	356.72	358.79	362.25
Mining	13.88	14.14	14.30	14.52	631.56	627.82	637.78	646.14
Construction	13.92	14.13	13.97	14.07	533.14	552.48	525.27	533.25
Manufacturing	11.05	11.25	11.30	11.38	456.37	462.38	466.69	474.55
Durable goods	11.59	11.87	11.90	11.95	485.62	493.79	495.04	505.49
Lumber and wood products	9.11	9.35	9.36	9.40	366.22	377.74	378.14	387.28
Furniture and fixtures	8.69	8.85	8.85	8.93	345.86	349.58	346.06	363.65
Stone, clay, and glass products	11.24	11.41	11.45	11.48	469.83	484.93	479.76	481.01
Primary metal industries	13.13	13.48	13.48	13.45	563.28	575.60	576.94	579.70
Blast furnaces and basic steel products	14.94	15.57	15.54	15.42	652.88	674.18	674.44	670.77
Fabricated metal products	11.05	11.30	11.36	11.42	463.00	472.34	474.85	486.49
Industrial machinery and equipment	12.12	12.26	12.29	12.36	521.16	512.47	516.18	530.24
Electronic and other electrical equipment	10.55	10.78	10.87	10.95	439.94	439.82	451.11	462.09
Transportation equipment	14.42	15.07	15.08	15.14	609.97	645.00	637.88	643.45
Motor vehicles and equipment	14.88	15.58	15.50	15.56	624.96	682.40	661.85	664.41
Instruments and related products	11.61	11.76	11.78	11.85	487.62	480.98	491.23	503.63
Miscellaneous manufacturing	8.80	8.86	8.93	9.04	351.12	357.06	360.77	367.02
Nondurable goods	10.33	10.47	10.54	10.64	418.37	425.08	430.05	437.30
Food and kindred products	9.80	9.85	10.01	10.13	406.70	402.87	412.41	417.36
Tobacco products	15.95	16.06	16.96	16.10	636.41	645.61	652.96	647.22
Textile mill products	8.16	8.40	8.45	8.49	323.95	349.44	352.37	354.88
Apparel and other textile products	6.65	6.81	6.81	6.84	245.39	256.06	256.06	258.55
Paper and allied products	12.54	12.80	12.87	12.95	554.27	558.08	564.99	576.28
Printing and publishing	11.44	11.62	11.61	11.72	439.30	440.40	445.82	454.74
Chemicals and allied products	13.77	14.25	14.31	14.37	599.00	614.18	626.78	638.03
Petroleum and coal products	16.51	17.14	17.36	17.54	724.79	735.87	770.78	770.01
Rubber and misc. plastics products	9.96	10.13	10.18	10.27	413.34	421.41	424.51	431.34
Leather and leather products	7.07	7.18	7.25	7.36	266.54	267.10	273.33	276.00
Transportation and public utilities	13.14	13.24	13.30	13.34	513.77	511.06	513.38	518.93
Wholesale trade	11.04	11.19	11.25	11.37	423.94	427.46	428.63	437.75
Retail trade	6.84	7.07	7.11	7.11	199.73	200.79	202.64	206.19
Finance, insurance, and real estate	10.24	10.49	10.55	10.69	370.69	372.40	376.64	388.05
Services	10.11	10.33	10.40	10.51	330.60	334.69	336.96	343.68

1/ See footnote 1, table B-2.

p = preliminary.

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

Industry	Dec. 1990	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991p/	Dec. 1991p/	Percent change from: Nov. 1991-Dec. 1991
Total private:							
Current dollars	$10.17	$10.40	$10.41	$10.40	$10.43	$10.50	0.7
Constant (1982) dollars2/	7.44	7.49	7.47	7.46	7.44	N.A.	(3)
Mining	13.89	14.27	14.34	14.24	14.39	14.53	1.0
Construction	13.87	14.07	14.04	14.02	13.96	14.03	.5
Manufacturing	10.99	11.25	11.25	11.26	11.30	11.32	.2
Excluding overtime4/	10.56	10.76	10.76	10.77	10.80	10.82	.2
Transportation and public utilities	13.11	13.30	13.27	13.20	13.29	13.31	.2
Wholesale trade	11.00	11.22	11.23	11.21	11.25	11.32	.6
Retail trade	6.84	7.06	7.05	7.06	7.09	7.12	.4
Finance, insurance, and real estate	10.22	10.47	10.55	10.49	10.56	10.67	1.0
Services	10.03	10.30	10.32	10.29	10.36	10.43	.7

1/ See footnote 1, table B-2.

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

3/ Change was -.5 percent from October 1991 to November 1991, the latest month available.

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

N.A. = not available.

p/ = preliminary.

ESTABLISHMENT DATA

ESTABLISHMENT DATA

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers1/ on private nonfarm payrolls by industry

(1982=100)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Dec. 1990	Oct. 1991	Nov. 1991p/	Dec. 1991p/	Dec. 1990	Aug. 1991	Sept. 1991	Oct. 1991	Nov. 1991p/	Dec. 1991p/
Total private	124.7	122.6	122.1	123.3	123.3	121.5	122.3	121.5	121.4	121.7
Goods-producing industries	107.6	106.9	104.8	104.4	106.7	104.4	104.4	104.0	103.0	103.6
Mining	66.7	61.7	61.2	59.8	65.3	62.2	60.9	60.2	60.0	58.7
Construction	129.2	134.2	123.2	118.4	132.6	123.3	124.9	124.4	118.9	121.6
Manufacturing	105.7	104.1	103.8	104.4	103.9	103.2	102.9	102.6	102.5	102.7
Durable goods	104.1	100.6	100.2	101.2	102.0	100.3	100.0	99.4	99.1	99.2
Lumber and wood products	123.0	123.8	122.4	123.5	125.5	122.1	122.4	121.5	123.1	124.0
Furniture and fixtures	122.0	118.9	117.4	121.5	117.4	116.5	116.5	116.5	115.0	117.0
Stone, clay, and glass products	104.8	105.6	102.6	100.1	106.2	101.6	102.6	102.4	100.1	101.1
Primary metal industries	91.5	87.2	86.9	87.3	90.5	88.8	87.9	87.1	86.2	86.0
Blast furnaces and basic steel products	82.2	75.7	75.2	75.6	81.8	78.0	77.7	76.5	74.7	74.9
Fabricated metal products	107.4	104.1	103.7	105.1	104.6	102.9	103.1	102.6	101.7	102.4
Industrial machinery and equipment	97.7	89.7	89.4	91.5	95.3	91.3	91.3	90.0	89.1	89.0
Electronic and other electrical equipment	106.1	101.1	102.7	104.3	103.1	101.5	100.6	100.0	101.2	101.7
Transportation equipment	115.5	115.1	113.6	113.5	112.5	114.7	113.5	113.4	113.2	111.0
Motor vehicles and equipment	119.4	130.2	126.8	126.6	115.8	128.6	126.6	125.9	125.7	124.4
Instruments and related products	88.1	82.1	83.7	85.4	85.4	82.6	82.6	81.5	82.5	83.0
Miscellaneous manufacturing	99.8	103.5	102.9	101.3	99.4	99.2	99.5	99.3	99.0	100.5
Nondurable goods	108.0	109.0	108.9	108.9	106.7	107.2	107.0	107.1	107.3	107.6
Food and kindred products	111.8	116.0	113.5	111.3	111.2	111.4	111.3	110.8	111.1	110.6
Tobacco products	79.0	76.4	69.7	75.8	70.9	74.5	71.1	69.0	65.5	69.5
Textile mill products	94.6	100.2	100.4	100.4	96.2	98.7	98.5	99.0	99.1	100.1
Apparel and other textile products	92.0	96.9	97.5	97.0	91.3	94.5	94.7	95.4	95.7	96.1
Paper and allied products	112.4	110.9	111.6	113.0	110.2	110.5	110.2	110.0	110.5	111.0
Printing and publishing	129.0	123.0	124.7	127.0	126.0	122.9	122.6	123.1	123.2	123.8
Chemicals and allied products	105.6	102.0	103.0	105.0	104.2	102.9	102.4	102.5	102.7	103.5
Petroleum and coal products	84.4	87.4	86.4	83.1	85.6	86.4	86.3	84.9	85.5	84.1
Rubber and misc. plastics products	126.5	126.4	126.5	126.3	126.8	126.1	125.7	124.7	125.0	124.6
Leather and leather products	58.6	56.2	56.8	55.3	58.3	56.1	56.8	55.3	56.8	55.3
Service-producing industries	132.4	129.6	129.8	131.8	130.7	129.2	130.3	129.0	129.7	129.9
Transportation and public utilities	117.6	115.6	115.3	115.8	116.1	114.5	115.3	113.8	114.3	114.2
Wholesale trade	116.4	11' 8	113.5	113.8	115.8	113.6	113.6	113.1	112.9	113.2
Retail trade	128.8	119.0	120.7	124.6	122.3	120.1	120.9	118.7	119.9	118.4
Finance, insurance, and real estate	121.2	118.1	118.5	121.0	121.6	119.0	120.4	118.0	119.5	121.2
Services	147.0	149.3	148.8	149.9	148.1	147.8	149.2	148.8	149.2	150.2

1/ See footnote 1, table B-2.

p = preliminary.

ESTABLISHMENT DATA

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

(Percent)

Time span	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept	Oct.	Nov.	Dec.
	Private nonfarm payrolls, 356 industries1/											
Over 1-month span:												
1989	64.5	59.0	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1990	58.1	58.1	52.2	48.7	52.8	48.3	46.6	47.8	45.1	41.4	40.3	42.0
1991	38.5	36.9	38.6	38.5	51.1	45.8	51.3	54.8	50.0	48.3	p/44.5	p/47.2
Over 3-month span:												
1989	67.6	65.2	61.1	56.2	54.5	53.9	54.9	52.5	55.9	56.0	55.8	59.1
1990	58.8	59.0	54.4	50.7	48.7	49.4	45.6	43.7	40.0	37.4	35.8	35.1
1991	31.6	30.8	30.3	38.3	39.5	48.9	51.7	52.9	50.1	p/42.8	p/41.7	
Over 6-month span:												
1989	67.7	65.0	63.3	59.0	56.5	53.4	54.5	55.9	53.8	58.1	57.9	59.1
1990	56.6	55.2	55.2	51.8	47.6	44.9	42.7	38.6	37.2	34.8	30.9	28.8
1991	26.7	31.2	29.5	34.3	41.2	45.8	49.9	p/46.2	p/48.0			
Over 12-month span:												
1989	65.3	65.2	62.2	61.5	61.5	59.6	57.6	56.7	55.8	56.0	55.5	55.6
1990	54.6	54.5	51.4	48.3	46.6	43.5	40.3	35.8	34.1	30.6	32.0	30.2
1991	30.2	30.6	30.3	32.7	p/33.0	p/32.4						
	Manufacturing payrolls, 139 industries1/											
Over 1-month span:												
1989	58.6	50.7	48.9	47.5	47.1	44.2	44.2	45.7	38.8	48.2	48.6	45.3
1990	46.0	51.1	41.4	47.8	41.7	39.6	43.2	40.3	38.8	34.5	27.3	33.8
1991	31.7	28.4	29.9	38.5	46.8	46.0	53.2	53.2	43.5	45.3	p/41.0	p/46.4
Over 3-month span:												
1989	56.5	54.3	49.3	43.5	42.8	42.1	40.3	36.3	39.9	41.0	41.0	41.7
1990	45.0	43.2	45.0	38.1	38.1	37.4	35.6	31.3	27.0	23.0	21.6	18.5
1991	19.4	16.5	18.0	30.2	36.3	48.9	57.2	55.0	46.0	p/37.4	p/38.8	
Over 6-month span:												
1989	57.9	51.8	48.6	45.0	41.7	38.1	38.1	38.1	35.6	38.8	39.6	39.6
1990	39.9	36.7	37.1	40.3	32.4	30.6	24.1	20.5	21.2	17.3	16.2	11.9
1991	10.4	17.3	19.4	23.4	38.5	43.5	49.6	p/45.0	p/47.8			
Over 12-month span:												
1989	53.6	56.1	51.8	46.4	44.6	41.7	38.1	35.3	34.9	36.5	32.4	32.7
1990	35.3	33.5	31.3	29.5	25.2	20.9	19.8	14.0	12.9	10.1	11.2	10.4
1991	13.3	14.7	14.7	18.0	p/21.6	p/21.9						

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

p = preliminary.

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

SENATOR SARBANES. Thank you very much, Mr. Barron. The first thing I want to focus on is your statement that there was a large increase in the number of persons who were jobless for more than half a year. Now, that's shown in this chart of the number of persons unemployed 27 weeks or longer; it shows a very dramatic rise. (See chart below.) Do you have any explanation for that? Why is the number of long-term unemployed taking off the way it is there?

MR. BARRON. The levels reached about 1.4 million. Part of the explanation is that, in the white-collar jobs especially, there's the thought that those individuals are attempting to find positions commensurate with the positions that they have lost. Let me ask Mr. Plewes to supplement that answer.

SENATOR SARBANES. Now, let me ask this question. At the start of the recession, the number of such persons was what, a little bit over 600,000; is that right?

MR. PLEWES. 639,000.

SENATOR SARBANES. 639,000. And what is it today?

MR. PLEWES. 1,471,000.

SENATOR SARBANES. 1,471,000.

MR. PLEWES. In part, I think, it is because of the aging of the recession. If the recesson goes on for 6 months or longer, those persons who were laid off at the early days of the recession become unemployed 6 months or more, and that really happened early this summer. That's when we started seeing those big increases.

SENATOR SARBANES. So, in other words, the longer the recession goes on, it is reasonable to expect the worse this problem will become; is that correct?

MR. PLEWES. In the past recessionary periods, the number of long-term jobless continued to grow even after the recessions were over.

SENATOR SARBANES. Even after the recession is over.

The length of this recession is now, as I understand it, the longest of any recession in the post-World War II period; is that correct?

MR. PLEWES. That's correct.

MR. BARRON. Depending on when NBER determines that the date would be over.

SENATOR SARBANES. Well, I assume that they won't yet. There are some who say we had some slight growth in the third quarter, but did we come out of recession and then go back into it? Paul Samuelson, who was here yesterday—one of our Nation's most distinguished economists—said it was his expectation that NBER would read the data to mean that the recession had continued straight through this period, given the latest numbers we're getting. Now, assuming that's the case, it is judged that the recession has continued from last summer—it was, I think, dated as starting in July 1990, was it not?

MR. BARRON. That's correct, Mr. Chairman.

SENATOR SARBANES. And it has continued straight through. Would that now be the longest recession in the post-World War II period? Actually, the longest recession since the Great Depression; would that be correct?

MR. BARRON. That's correct, sir.

SENATOR SARBANES. Now, I want to ask about this article that appeared, and which I assume you had a chance to look at, in the *New York Times* on Wednesday, January 8; interestingly enough, *U.S. News and World Report* had a similar comment. I don't know if you have had the opportunity to examine that, as well. In the *New York Times*, "The Undercounted Unemployed" is the name of their article. *U.S. News and World Report* calls it "the false body count," and I am sure that you want to address that. In this article, it says, "The unemployment rate in America today is officially 6.8 percent." Of course, that was written before the latest figure came in at 7.1 percent, three-tenths of a percent jump. But economists are now saying that this figure underestimates considerably the real number. They warn that the current unemployment figure, influential in gauging the Nation's economic health and determining what policies should be adopted to improve it, provides a false sense of the economy's strength and its potential for rebounding. And they then discuss things that are not included within what we call this official unemployment rate figure.

Now, as I understand it, while this is the figure that is reported, you do develop more comprehensive indices of unemployment; is that correct?

MR. BARRON. That's correct, Mr. Chairman.

SENATOR SARBANES. What is the most comprehensive index of unemployment that the Bureau of Labor Statistics publishes?

MR. BARRON. We refer to this as U-7, Mr. Chairman. It is published along with all of the other data that we publish. In the fourth quarter, that rate was 10.4 percent. That includes total full-time job seekers, plus a half of the part-time job seekers, plus half of the total on part-time for economic reasons, plus discouraged workers as a percent of the civilian labor force, plus discourged workers less half of the part-time labor force.

SENATOR SARBANES. Let me go through that.

MR. BARRON. It is a difficult calculation.

SENATOR SARBANES. That is a very important point.

The official rate is 7.1 percent.

MR. BARRON. Yes, sir.

SENATOR SARBANES. Your comprehensive rate, which is intended to encompass all aspects of the unemployment situation for the last quarter of last year, was 10.4 percent; is that correct?

MR. BARRON. That's correct.

SENATOR SARBANES. 10.4 percent. Now, what are the elements that are brought in that raise it from 7.1 percent to 10.4 percent? Why don't we just go through each of them carefully so that we establish those for the record.

MR. BARRON. Let me do a couple, Mr. Chairman, and then I will have Mr. Plewes, who is responsible for these data, go through it more carefully with you.

One key ingredient is discouraged workers. In the area of discouragement, particularly; that is, in the case of the Bureau, we view that as difficult to measure. I've heard Commissioner Norwood refer to it as a state of mind, but we need to acknowledge it. Because there is a concern for this, we do collect that number. But it is not included in the official rate, which has a definition accepted by presidential commissions and reviewed over the years. We always want to review these things, and we always want to respond to any concern or criticism; that is part of what BLS is all about. There hasn't been a consensus to include them in the official rate. We do count them so that those concerned about such individuals can know how many there are and consider that.

Having made that point, I'd like to have Mr. Plewes go through that as carefully as you wish Mr. Chairman.

SENATOR SARBANES. No one is suggesting that these other groups should be in the official rate, because the standard we have used is not to include them. So, the official rate represents one thing. But it is important to look at these broader measures, as these articles point out. For instance *U.S. News and World Report* says:

> The government's labor statistics dramatically understate the real pain and suffering that joblessness has brought to families across the nation since the recession began 17 months ago. Each month the Department of Labor releases a report that contains information about jobs, who has them and who does not. The unemployment rate is extracted from that report. But this figure shows only the percentage of people searching want ads and sending resumes, those looking for jobs. What the measure does not include are discouraged workers, those people who don't have jobs and who have stopped looking for them, and the many part-time workers who want full-time positions.

So, you have these discouraged workers. This 7.1 percent official rate represents how many unemployed people?

MR. BARRON. Almost 8.9 million.

SENATOR SARBANES. 8.9 million. How many unemployed people were there at the beginning of the recession when the rate was just about 5 percent? What did that represent?

MR. BARRON. That is an increase of over 2.1 million over the course of the recession; 6.8 percent would be the total.

SENATOR SARBANES. Over 2,100,000 people have lost their jobs or become unemployed during this period?

MR. BARRON. That's correct.

SENATOR SARBANES. Now, the number of discouraged workers is how many; 1.1 million, is that correct?

MR. BARRON. 1.1 million is right, sir.

SENATOR SARBANES. Finally, the number of workers working part-time who want to work full time. As I understand it, many people are working part-time who want to work part-time, but there is also another category of people who want to work full time, but they can only find part-time work; is that correct?

MR. BARRON. That is correct, sir. That number is about 6.1 million.

SENATOR SASSER. What was the number of workers who have become discouraged and are not looking and are no longer carried on the rolls as unemployed? What was that number?

MR. BARRON. 1.1 million is the discouraged worker number, Senator.

SENATOR SASSER. Thank you.

SENATOR SARBANES. And what was the number of part-time workers who want to work full time; six million?

MR. BARRON. About 6.1 million, Mr. Chairman.

SENATOR SARBANES. 6.1 million.

Now, is there any other factor that is included to lead to the 10.4 figure, or are those the two elements?

MR. BARRON. I believe those are the two major elements. Let me have Mr. Plewes explain.

MR. PLEWES. Mr. Chairman, there are some small refinements. That group of people who are part-time for economic reasons are sometimes considered to be underemployed and sometimes considered to be partially unemployed. And if you look at it as the glass that is either half full or half empty, we have taken half of that number and included it in this 10.4 percent rate. So, we reduce that to about three million when we're doing the addition.

SENATOR SARBANES. What you do is, you take the 6,100,000, and count them for the rate not at a full level, but only at half level.

MR. PLEWES. As a judgment.

SENATOR SARBANES. They are working part-time. Some, I guess, may be working 30 hours a week, others may be working 4 or 5 hours a week; would that be correct?

MR. PLEWES. The average is somewhere around 25 hours.

SENATOR SARBANES. The average is about 25 hours. You have a number of people within that group that have hours much less than that; is that correct?

MR. BARRON. Yes, sir.

SENATOR SARBANES. Are you considered employed if you work any hours at all?

MR. BARRON. Yes.

SENATOR SARBANES. So, if someone is scrounging together 4 or 5 or 6 hours of work a week, they are considered a part-time employed person; is that correct?

MR. BARRON. Yes.

SENATOR SARBANES. Now, this means that you have over 16 million people in some form of an unemployed situation at the moment; would that be correct? Either fully unemployed, partly employed, partly unemployed, or dropped out of the labor force—they became discouraged and dropped out of the labor force—would that be correct?

MR. BARRON. The dear sisters who taught me math will be disappointed that I cannot add this quickly. We're getting about 13 million over here, Mr. Chairman. That's half the part-time. If you take them all, I believe your number——

SENATOR SARBANES. I am trying to get the total number of people affected by the employment situation. I am not trying to include them in full for the rate. I understand that if you counted them in full for the rate that the rate would be about almost double what it is now. If they were counted in full, the comprehensive rate would be above 13 percent, you don't do that. You count them at half, so it's 10.4 percent. But all of those part-time people have been impacted by unemployment, because they are all seeking full-time work but can only get part-time work; is that correct?

MR. BARRON. Yes.

SENATOR SARBANES. Let me ask one other question.

SENATOR RIEGLE. Would you yield at that point on one other category that I am curious and concerned about. There seems to be more and more people at a higher skill level that have been trained as engineers; they may have been trained as a teacher in mathematics, or whatever the field is, who have lost their jobs and can't find work at the skill level for which they are prepared, and so they look and look and look and can't find a replacement job that really fits their special job skills. So, finally they end up doing something else. Maybe an engineer ends up driving a taxicab, or somebody that has some other major set of professional skills ends up washing dishes in the back of a fast food place. Do you make any effort to identify people who are substantially underemployed and below their skill levels who finally, out of desperation, maybe take up minimum wage jobs, and who otherwise ought to be working at a much more sophisticated level, both earning and contributing more to the country?

MR. BARRON. We know that in this recession that the number of unemployed white-collar workers and blue-collar workers—the workers traditionally classified in those categories—those levels are about the same. And let me have Mr. Plewes expand on the precise answer to your question.

MR. PLEWES. We don't get that information on a regular basis. Once every 2 years, however, we do a special study of persons who are displaced from their jobs, and we ask questions about their subsequent labor force experience. We look at income replacement for the new job, and we can compare occupations. About 42 percent of the people who are dis-

placed find a job where the earnings are not equal to those on their previous job.

SENATOR RIEGLE. Forty-two percent don't. Looking back in time in terms of the historical experience.

MR. PLEWES. Yes, sir. We look at it primarily from an earnings perspective.

SENATOR RIEGLE. In other words, they take a permanent step down once they have lost their job at the higher skill—42 percent?

MR. PLEWES. Well, that was the situation at the time of our survey. It is not necessarily permanent.

SENATOR RIEGLE. Wouldn't it be higher now? It looks to me that, as you look across the economy, the number of areas that are shedding workers is financial, services, manufacturing and building trades. There are all kinds of almost every major sector of the economy that are carrying out permanent work force reductions. It seems to me that there are an awful lot more skilled people—blue-collar and white-collar—that have been thrown out of the work system in this situation than I remember seeing. I don't recall the number of permanent job reductions that we are seeing now any time in the last 25 years. Wouldn't we likely be now having even a higher percentage than the 42 percent that we have seen in the past, who are out there and can't find a new job at the skill level for which they are prepared to work and make a contribution?

MR. PLEWES. I think that is a correct statement, although we have nothing to justify it. We are taking our next reading this month, and we will have the data available in 3 to 4 months. The last time we took a reading was in January 1990, which was looking over a period of fairly substantial economic expansion. Forty-two percent were taking income losses in the period of economic expansion.

SENATOR SARBANES. You're taking a survey this month; is that right?

My time has expired. I am going to yield to Congressman Armey.

REPRESENTATIVE ARMEY. Thank you, Mr. Chairman.

Mr. Barron, I don't believe that business cycles just happen. I think business cyles are consequential to events. I think that in my lifetime the events that caused business cycles to happen have generally been events of public policy malfeasance. Given that understanding, I would like to look at some of the things you have told us here, and see if we can gain some insight into why that happens. Obviously, being an optimist, I find that on page 2 perhaps there is some silver lining to this cloud. You say, the third paragraph down, "This left construction jobs down about 100,000 over the last 3 months of the job. Similarly, mining continues to lose jobs." You talk about the bad weather in November and December. Dare I to hope that we have here, at least with respect to the construction jobs, a weather-related phenomenon that, with the passage of time, with the improvement in weather, we might see a response?

MR. BARRON. We did see a little improvement in construction jobs in December. But our sense, Congressman Armey, is that the weather was

very bad in November. We think the combination of those 2 months is about where we're at with construction.

REPRESENTATIVE ARMEY. You wouldn't advise me to dare to hope that as the weather improves that this will also improve?

MR. BARRON. It always does improve with the weather, and then we seasonally adjust that if it is a normal weather pattern. Construction has been hard hit over this particular recession.

REPRESENTATIVE ARMEY. When you say construction, are you talking about new housing construction?

MR. BARRON. All forms.

REPRESENTATIVE ARMEY. All forms of construction. Then, you go down the line and emphasize the impact on manufacturing jobs. You point out that a quarter of the 1991 decline was in industrial machinery. Now, the manufacture of industrial machinery, essentially what you are talking about is blue-collar workers, whose job it is to create a job with which another blue-collar worker will work in the production of the final product or, perhaps, at least, another product. The purchase of manufacturing equipment—industrial machinery—is pursuant to investment activity. And, of course, as you know in the summer of 1989, Congress passed up an opportunity to encourage the purchase of industrial equipment. When the Senate killed the House-passed Archer-Jenkins bill to reduce and index the capital gains tax. So, here I think we can see a specific relationship between an event of unemployment and a misguided government policy. If, in fact, we had provided people with more incentive to make investment in industrial machinery, we could assume today that there would be more production of such, and there would be more employment in that industry, and this number wouldn't be so gloomy.

Now, you also go on and say that the largest over-the-month decline in manufacturing took place in transportation equipment, primarily aircraft and autos. Again, I suppose, like construction, you probably don't have a breakdown in the aircraft over and against military aircraft, noncommercial or commercial aircraft?

MR. BARRON. No, this aggregate includes both. I don't know that we even have the details tabulated as of yet. We have the aggregate number at this point.

REPRESENTATIVE ARMEY. We have a lot of testimony that comes to us from particularly the light aircraft industry about the loss of jobs pursuant to the passage of the luxury tax in the budget summit agreement. It's an interesting phenomenon. Apparently an awful lot of automobile dealers for some period of time absorbed that tax, but are finding themselves reaching a point where they can no longer do so and, consequently, are having to suffer the sales and employment effects. But, here again, we can probably connect the event of today's bad unemployment circumstances in these two industries with yesterday's ill-advised policy decisions.

We had an interesting discussion yesterday about employment in the public sector. And I noticed that you report data on private-sector employment. Do you have any data on public-sector employment?

MR. BARRON. Yes, we do.

REPRESENTATIVE ARMEY. Can you give me an indication of what is happening in public-sector unemployment?

MR. BARRON. I can give it to you at the federal, state and local level over the year. There was some growth, about 31,000 in federal employment. At the state level, very little growth. Local, 140,000 is the number.

REPRESENTATIVE ARMEY. So, there continues to be growth in public-sector employment during this same period of time?

MR. BARRON. That is correct. We think, particularly at the local level, which for those of us who live right around here, it was surprising given some of the budget problems. We believe there is a demographic factor here that even in recessionary times we try to educate our children—those types of things—so that there is growth around the country in education and that that has had a major impact on the growth in employment. Again, not necessarily around this area, but throughout the country in that particular category of employment.

REPRESENTATIVE ARMEY. I appreciate that education is still a local public enterprise, but I thought I heard you say that there was some more substantial growth in federal, public employment than there is in state and local, public employment; did I hear that correctly?

MR. BARRON. It is 31,000 at the federal level over the year.

REPRESENTATIVE ARMEY. And over the year at the local level, 140,000?

MR. BARRON. 140,000 at the state and local level.

State was 5,000. States appear to be growing less rapidly over the year than local.

REPRESENTATIVE ARMEY. I'm sorry. You were going to——

MR. PLEWES. I really can't add anything more to that. We have seen indeed that the number of young people coming into schools has grown, and even during recessionary periods, class sizes do tend to remain stable, so there are more people in education now at the local level.

REPRESENTATIVE ARMEY. Our education is a big part of that public sector. It certainly wouldn't be at the federal level.

MR. BARRON. Not to my knowledge, sir. We can check on that for you, sir.

REPRESENTATIVE ARMEY. Thank you, and thank you, Mr. Chairman.

SENATOR SARBANES. We are pleased that Chairman Sasser of the Budget Committee has come to sit in with us this morning, and I am happy to turn to him now for any questions or comments that he might have.

SENATOR SASSER. Thank you very much, Mr. Chairman.

SENATOR SARBANES. Before you begin, Jim, I would like to finish developing the one line of thought that I was on before concerning the comprehensive unemployment rate.

SENATOR SASSER. Sure.

SENATOR SARBANES. So, we have 7.1 percent unemployment. We add the discouraged workers of 1,100,000. We add the part-time workers, 6.1 million, but counting them as half for the unemployment rate, and we get to an unemployment rate of 10.4 percent.

Now, *U.S. News and World Report* in their article says that another factor that may be pulling down the unemployment numbers is the extremely slow growth in the U.S. labor force during the current recession. The article reports that since July 1990 that the labor force has grown just four-tenths of a percent, compared with 2.3 percent in the 1981-82 downturn and 2.7 percent during the 1973-75 recession. Now, of course, part of that is because we have had a change in population, and the work force isn't growing as much.

First of all, let me say, is the work force growing at the level you would have expected or anticipated that it would grow?

MR. PLEWES. The answer is no, not during this period. We are seeing actual declines for the first time in many years in the labor-force participation of adult women. That is something that has grown through the years. And we are seeing somewhat of a decline in the participation of young people, even though there are fewer young people, those who are around are working less.

SENATOR SARBANES. If the work force had grown at the level that you expected or anticipated, what would the comprehensive unemployment rate be? How much larger than 10.4 percent?

MR. PLEWES. We don't have that calculation. I think we do have a picture if the work force had grown during this recession as it has in past recessions. That is one way of looking at it. The rate would be instead of 7.1 percent, it would be 7.9 percent now.

SENATOR SARBANES. 7.9 percent or 0.8 percentage points higher. So, the 10.4 would be 11.2 percent?

MR. PLEWES. If you added that, yes.

SENATOR SARBANES. If you factored that in, as well.

All right, thank you very much.

Senator Sasser, please proceed.

SENATOR SASSER. Thank you, Mr. Chairman. Just a few observations. First, I want to express my appreciation to you this morning and Congressman Armey for the courtesy of allowing me to sit in on these hearings. A matter of great concern to me has been the falloff in federal revenues. As Chairman of the Budget Committee, we must watch federal revenues very carefully. And we were stunned last year—shocked—to learn that shortly after the budget summit agreement had been confirmed and enacted into law that the Treasury Department reestimated revenues over the 5-year period of that agreement. And they said that because of the erroneous estimates that $140 billion worth of revenues would be lost over a 5-year period.

Now, I began to try to unravel this and to determine what is going on here and I think one of the things that we may be seeing—one of the reasons that I wanted to come here today and listen to these witnesses—is that we are seeing a pattern of long-term unemployment, but more significantly, a pattern of long-term, part-time employment, or a pattern of employees/workers falling from higher paid jobs into much lower paid jobs.

Now, for example, I think the Chairman is very accurately pointing out that the unemployment rate of 7.1 percent doesn't accurately reflect the number of workers who are really unemployed. That translates out to about 9 million people who want to work and can't find jobs. And we know that they want to work because they come into the State Employment Security Agencies looking for jobs. But you add to that the estimate of the 1.1 million who are discouraged workers, and as the Chairman has pointed out, the 6.1 million workers who are working part-time but want to work full-time, you get up to over 16 million members of this work force. And that calculates out, according to my calculations, I had 13 percent of the work force. I think the Chairman had a somewhat smaller number. But even with that very large percentage—13 percent of the work force—that does not take into account those workers who have fallen from higher paid jobs into lower paid jobs.

For example, in this recession, as I understand it, Mr. Chairman—and we will hear testimony today—it indicates that for the first time that we are seeing white-collar workers being laid off at a rate two-thirds as high as that of blue-collar workers. In previous recessions, white-collar workers were laid off at about one-third of the level of blue-collar workers. And I think that when we peel all of this back that what we're going to find are white-collar workers lose their better-paid jobs and fall off to retail clerk jobs, minimum wage jobs. And they don't qualify as part-time workers and they don't qualify as unemployed workers, but they are working at very low-paid jobs, compared to where they came from before. And that may very well explain why we are seeing these large discrepancies in the revenue projections that are coming to us from Treasury.

And a large segment of the population is earning less than they did and are paying less revenues, and we see the federal budget deficit going up. That is my principle concern because outlays are relatively stable. That from the revenue's falloff, then the deficit increases substantially.

One other point, Mr. Chairman. I don't want to abuse the hospitality of the Committee here this morning, but you made the point that we now have a great many workers who have been unemployed for 6 months or longer. What percentage of the unemployed did you say fall in that category, Mr. Barron?

MR. BARRON. It is about 16.5 percent.

SENATOR SASSER. About 16.5 percent have been unemployed for 6 months or longer. And isn't that considerably longer than what we have seen in other recessions?

MR. BARRON. Let me ask Mr. Plewes to help us with that historical perspective, sir.

MR. PLEWES. I don't have that figure with me.

SENATOR SASSER. I think it is as a matter of fact. I think that does militate strongly in favor of the extension of the unemployment benefits once more of up to 52 weeks, as Senator Sarbanes and I called for in the economic stimulus plan that we put forward last Friday. And I think that these statistics that we are seeing today, Mr. Chairman, indicate that if we don't move forward with this economic stimulus plan that we are going to be sitting here, I fear, month-after-month and seeing these numbers go up and the forecast become even more dismal.

I thank you, sir.

SENATOR SARBANES. Thank you.

Congressman Armey.

REPRESENTATIVE ARMEY. Chairman Sasser, as a former member of our Budget Committee, I too observed this phenomenon of CBO; that is, that Treasury was always so far off on their revenue estimates. Obviously, it makes our job almost impossible to try to plan a budget if we can't rely on their estimates. The particular error you talk about is one which I investigated. And if you don't mind, I will just share with you what I found.

First of all, CBO made virtually the identical error. A great deal of the error in revenue projection that was made surrounding the budget summit agreement was made by way of an overestimization of capital gains. They just simply missed the mark there. You know that I quite vocally predicted the unemployment results that would follow the implementation of that budget summit. And then, of course, the revenue shortfall through the government that would follow the reduced employment. With what I would call nominal and almost intuitive dynamic analysis, one can quickly see these results. Our official estimating agencies, Treasury and CBO, refused to use this kind of economic analysis. Therefore, they quite clearly overestimate revenues, based on the presumption that if we implement this change in fiscal policy that there will be no change in the behavior of the American people. So, it is a fundamental methodological problem that we have in our whole revenue estimating scheme.

When I went back to Treasury and asked them to reestimate, based on the actual data as it was, they confessed to me that one of their problems in doing so was that they would then have difficulty in cross-checking with CBO. I guess the conclusion that I would draw then is that those folks feel safe in that, if we duplicate each other's errors, we will always cross-check and have some testimony as to our veracity. That is a very dangerous practice, and cross-checking should be, in fact, to discover the errors and remove them. The differences should be where we gain the insight.

So, perhaps we can encourage these changes in estimating and make our job easier in the future. Thank you.

SENATOR SARBANES. Gentlemen, I just have one final question. This *U.S. News and World Report* front cover says, "Is Your Job Safe?" The article reports that one in five Americans was unemployed sometime last year. Not that one in five were unemployed all at the same time, but over the course of the year, one in five Americans was unemployed. This year it could be even worse. Is it correct that one in five Americans was unemployed sometime last year?

MR. BARRON. For 1990, that is a correct number. We don't have 1991 data right now.

SENATOR SARBANES. That is correct for 1990. For 1991, it is reasonable to assume it will be worse, is it not, given the unemployment figures that we have been hearing?

MR. PLEWES. I would think so. In 1990 we had about 20 million persons with at least one week of unemployment. That is about three times the average monthly unemployment level of 6.9 million. If that factor continues, you take it three times 8.9 or 6.9. I don't think it is linear, but there might be a higher level.

SENATOR SARBANES. We thank you all very much for your testimony.

Mr. Barron, I regret that on your first appearance to present the unemployment figures that you had to bring us such grim statistics. We do have the ability to distinguish between the messenger and the message, however, and, therefore, we don't hold it against you personally. But we are very much disturbed and distressed about these unemployment figures that have been reported this morning, the highest since this recession began.

Thank you very much for your testimony.

We will take a 2-minute break so that this panel can clear the table and we can bring on the panel for the second hearing.

[Whereupon, at 10:45 a.m., the Committee adjourned, subject to the call of the Chair.]

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