

# THE EMPLOYMENT SITUATION

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## HEARINGS

before the

### JOINT ECONOMIC COMMITTEE CONGRESS OF THE UNITED STATES

ONE HUNDRED FOURTH CONGRESS

FIRST SESSION

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February 3, 1995

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# THE JANUARY EMPLOYMENT SITUATION

Friday, February 3, 1995

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

The Committee met, pursuant to notice, at 9:36 a.m., in Room 2359 of the Rayburn House Office Building, the Honorable Jim Saxton, Vice Chairman of the Committee, presiding.

**Present:** Representatives Saxton, Manzullo, Thornberry, Ewing, and Stark.

**Staff Present:** Chris Frenze, Lawrence Hunter, Reed Garfield, Lee Price, William Buechner, Missy Shorey, Colleen Healy, William Spriggs, Caleb Marshall, and Roni M. Singleton.

## OPENING STATEMENT OF REPRESENTATIVE JIM SAXTON, VICE CHAIRMAN

**Representative Saxton.** It gives me great pleasure this morning to welcome once again Commissioner Abraham before the Committee to express the objective data which is gathered by the Department of Labor.

The job data released by the BLS this morning are frankly the cause of some concern. The significant increase in the unemployment rate and the weakness in economic growth, if repeated in coming months, would signal trouble ahead. These data suggest what can happen when high tax and regulation policy are no longer subsidized by inflationary monetary policy.

We have been talking about this for some months. While more months of data will be needed before drawing firm conclusions, the transition of Fed policy from an unsustainable loose policy to a more neutral one may now bring to the surface the hidden costs of Clinton policies. And if the Fed overshoots, which a number of economists fear may have already occurred, we may be facing some rather unpleasant economic turbulence in months and years ahead.

Loose money and zero percent short-term interest rates can make almost any fiscal policy, however destructive over the long-term, look successful in the short-term. However, now with many economists predicting a slowdown in 1995 or worse, speeding enactment of the economic growth components of the Contract With America in my view

is imperative. The effects of the Clinton policies must be reversed in order to ensure continued economic growth.

I would like to turn to another subject for just a minute in my opening statement. I am pleased to report that Secretary Reich has responded to Chairman Mack's request that BLS be exempted from the politicalization process established in the Labor Department. While this outcome in response to Republican pressure is a positive one, the attempt to politicize BLS in the first place was improper and demonstrates very poor judgment by Secretary Reich and those who are associated with him.

The correspondence between Chairman Mack and the Labor Department and attached internal Labor Department documents are now available from the Joint Economic Committee.

The Bureau of Labor Statistics produces some of the most sensitive data on employment, unemployment, and consumer prices and these should not be politicized. Reich's actions have created the perception that BLS is not autonomous from the ongoing partisan operations of the Labor Department.

While I myself believe BLS is, in fact, insulated from political pressure, Secretary Reich's ill-considered attempt last December to politicize BLS may have caused doubts in other quarters. During the question period, I will have some additional questions on this latest Labor Department fiasco. To prevent any resurgence of this problem in the future, perhaps consideration should be given to removing BLS from the Labor Department and making it part of some other entity, such as the Census Bureau.

Furthermore, I remain concerned about how much Secretary Reich's politicalization effort could affect other Labor Department offices, such as those dealing with the trillions of dollars of middle class pension assets and health and safety issues.

As you know, the economically targeted investment issue is something that is of great concern to me, and while I am glad the BLS issue is behind us, I am very concerned about the Department's stance with regard to using other prospects for investments with regard to pension funds. I hope this is not related in any way to the politicalization that we have uncovered with regard to BLS.

For example, the politicalization effort, combined with a well-orchestrated attempt to politically guide targeted pension investments is a very clear and present danger to working Americans and their pension assets. I, for one, will be keeping a very close eye on it and I will be asking some questions about it to the witnesses later.

Labor Department offices handling pension and safety issues should not be politicized either, and I call on Secretary Reich to publicly exempt them from any partisan political efforts.

I will turn now to the Ranking Member, Mr. Stark, if he has an opening statement.

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

### **OPENING STATEMENT OF REPRESENTATIVE PETE STARK, RANKING MINORITY MEMBER**

**Representative Stark.** Thank you, Mr. Chairman. I couldn't have said it better myself. However, I heard the name Reich repeated in there often. I would have substituted Gingrich and asked to join in your remarks.

I would quote from the distinguished Speaker who said, "We have a handful of bureaucrats who professional economists agree have an error in their calculations." [These are the professional economists I assume from the CATO Institute.] "But if they can't get it right in the next 30 days or so, we zero them out, [that is the BLS], and transfer the responsibility to either the Federal Reserve or the Treasury and tell them to get it right." Right, I presume, in the eyes of Speaker Gingrich.

This Committee has had a long and distinguished history of supporting Commissioner Abraham, her predecessors and her colleagues, and while this is my first opportunity to participate as Ranking Member, for 20 years these hearings have served very useful purposes. And I don't think they have been criticized before on the basis that has arisen recently.

These hearings help educate us in the Congress and the public about economic trends in jobs and prices and they have helped this Committee protect the independence of the labor statistics from political interference either way, and to assure the integrity of the statistics issues. The notion of shooting the messenger is something that is beneath the dignity of those of us who would like to bring to the public consistent and accurate figures.

This morning's figures are bad news. They suggest that there was a breather in January, after two good reports in November and December. And otherwise the January figures may have had some unusual seasonal adjustment. But nonfarm payroll rose by 134,000 following a gain of 750,000 jobs in the prior months. The unemployment rate went up to 5.7 percent, the same amount that it went up last January.

Hopefully one month's report doesn't make a trend, especially since there has been some difficulty in seasonally adjusting the December and January figures and the changes made in the household survey last year.

Moreover, today's data followed two years of very rapid and stellar job growth. Since January 1993, more than 5.7 million nonfarm jobs have been created and I believe that is one of the strongest two-year periods of job growth in the postwar years. Last year alone, almost 3.5 million new jobs were created and that was the best performance for the economy in a decade.

As a result of this strong job growth, the unemployment rate has declined from 7.1 percent two years ago to 5.7 percent this January. At the same time, we had an unprecedented fourth straight year of low and declining inflation. The Consumer Price Index rose only 2.7 percent in 1994 while the core inflation rate, which excludes food and energy prices, rose only 2.6 percent. This is the best overall inflation performance in almost 30 years. It is a record that the Federal Reserve should be very careful not to spoil.

I would, as strenuously, support the independence of the Fed as I would the Bureau of Labor Statistics. But I reserve the right to second guess or to criticize through Monday morning quarter backing, if you will. The Fed raised interest rates for the seventh time in a year by another half-point. Since last February, they have doubled the Fed's fund rate from 3 percent to 6 percent.

During the past three years, whenever the Fed has raised the funds rate by three points or more in a 12-month period, a recession has followed. Wednesday's rate hike means that we crossed that line again and for people who like to follow statistics, that signals a danger zone. As a former banker, I can tell you that when this occurs, and it occurs rapidly, and we raise rates on the banking industry, we slow down housing. We raise rates on credit cards and we generally slow down the economy.

That much I can understand. And while inflation is a grievous danger, we have to walk a careful line, it seems to me, between curbing inflation and hurting the economy seriously, overdoing or beating to death an already dead horse that seems to be on its last legs.

The outstanding job growth and low inflation over the past few years set an awesome standard and it is going to be hard for us to match it. Congress and the President pursued a set of economic policies, including responsible deficit reduction, government downsizing and support for the middle class that contributed to a climate of strong economic growth. If the Members of the 104th Congress make major changes in the policies

of the past two years, then they have to assume the responsibility for any slowdown that occurs in the economy during their watch.

Thank you, Mr. Chairman. I look forward to the witness' statements.

**STATEMENT OF**  
**THE HONORABLE KATHARINE G. ABRAHAM,**  
**COMMISSIONER, BUREAU OF LABOR STATISTICS**  
 ACCOMPANIED BY THOMAS J. PLEWES, ASSOCIATE COMMISSIONER,  
 EMPLOYMENT AND UNEMPLOYMENT STATISTICS, AND KENNETH V.  
 DALTON, ASSOCIATE COMMISSIONER, PRICES AND LIVING CONDITIONS

**Ms. Abraham.** Mr. Saxton, Mr. Stark, thank you. As always, I appreciate the opportunity to be here to provide comments on the labor market data that we have for release.

Following job gains that averaged 290,000 per month during 1994, payroll employment rose by 134,000 in January. The unemployment rate increased to 5.7 percent, after dipping to 5.4 percent at the end of last year.

Clearly, the brightest spot in data for January was the continued growth of manufacturing employment. During much of 1994, the industry had displayed an on-again/off-again pattern of growth, but starting in October, it has had steady sizable increases. The January increase of 39,000 factory jobs brings the four-month gain to 161,000. The increase since the industry's September 1993 low totals 323,000. Fabricated metals, industrial machinery, motor vehicles and rubber and plastics continued their strong performance in January.

In another sign of strength in at least certain parts of manufacturing, overtime hours edged up to an all-time record for that series of 4.9 hours and overall factory hours remained at historically high levels.

Transportation and wholesale trade also continued to add jobs in January, benefiting from manufacturing's recent growth. Construction employment on a seasonally readjusted basis was up over the month, largely reflecting the unseasonably warm weather throughout the country.

Employment in the services industry increased by 53,000 in January, an unusually small gain for an industry that typically has been a major source of job growth. Employment growth was relatively slow in both health and business services, although the personnel supply component within business services had another substantial increase. Small job losses occurred in amusements and recreation and in agricultural services, in both cases the result of weather. The lack of snow hurt the ski industry and heavy rains on the West Coast adversely affected services to agriculture.



Retail trade employment was little changed in January, after rising substantially in November and December. Declines in general merchandise stores and eating and drinking places largely offset gains in other retail industries.

Another item that deserves mention this morning is the rise of average hourly earnings. In recent months, the average hourly earnings series has received considerable attention as a barometer of labor costs. In January, hourly earnings posted a relatively large over-the-month increase of seven cents or 0.6 percent.

I would make two points about this change. First, the increase partly reflects the fact that January's employment gain was more concentrated than usual in industries with long workweeks and high earnings. Second, the size of the change in this series varies considerably from month-to-month. A gain of similar magnitude occurred in October, only to be followed by a decline in November and a small increase in December. Over the past 12 months, the increase in average hourly earnings has been 2.7 percent about in line with inflation.

As I stated earlier, the unemployment rate rose to 5.7 percent in January. The data from our survey of households also showed an increase in both the number of persons unemployed due to job loss and the number unemployed for less than five weeks, that is, the newly unemployed. In addition, the number of persons working part-time when they would have preferred full-time employment was up over the month.

The increase in the unemployment rate to 5.7 percent should be viewed, I think, in the context of the longer term. The rate had been on a steady down trend throughout 1994. As your comments earlier suggested, Mr. Saxton, experience tells us that we shouldn't over interpret the data for any single month, and in particular, it would be a mistake to conclude that an underlying trend has changed based on any single month's data. We will obviously have a better picture of where things are headed when we have got data for February/March.

Another broad measure of labor market activity is the proportion of the population that is employed. Over the past three months, the employment to population ratio has held at 63 percent, which is up eight-tenths of a percentage point from the January 1994 level.

In summary then, payroll employment growth was less robust in January than in recent months, although manufacturing employment continued to increase at a strong pace. Unemployment was up over the month at 5.7 percent, the January rate was a full percentage point below the rate of a year earlier.

My colleagues and I would of course be happy to answer any questions that you might have, either about today's data or about other matters. [The prepared statement of Commissioner Abraham together with the Employment Situation and press release appear in the Submissions for the Record.]

**Representative Saxton.** Well, let me begin by thanking you once again for being here. It is always a pleasure to deal with you because of your marked professionalism and objectivity and we are very pleased that you are here.

Obviously, no one wants to overstate the impact of a three-tenths of 1 percent increase in the unemployment rate, however, I think we both agree it is not welcomed news and that we hope that we don't see any further erosion of the employment base in upcoming months.

And we certainly are cognizant of the fact that the policies of the Federal Government that emanate from the Department of Labor, as well as from the Administration, as well as from Congress, as the Ranking Member pointed out, are oftentimes responsible for the statistical data that we gather, not always in the same months that someone acts, but perhaps at some later time.

And I would just point out to the Ranking Member that neither the Democrat party nor the Republican party were directly responsible for interest rates that increased to the point that they are, which I think has some connection with the bad numbers that we see today, and the Republican party certainly wasn't responsible for the tax increase that we had in 1993, which I think has some relationship to the numbers that we are unfortunately seeing today, but in spite of all that, the Ranking Member and I are certainly in accord that we hope in future months, based on our mistakes of the past, we don't see future increases in the interest rates -- in the unemployment rates.

Commissioner, at the last hearing, you were asked by Senator Mack to contact Secretary Reich and inform him of our concerns about the political procedures set up in the Labor Department. I am wondering if you were able to contact Secretary Reich about this matter and, if so, what specific guidance did he provide you in your first discussion with him.

Before the last hearing, for example, had Secretary Reich or any of his staff expressed any concerns about the terrible impression conveyed by this effect with respect to the Bureau of Labor Statistics or expressed reservations about its application to BLS?

**Ms. Abraham.** No. The Secretary, I believe, viewed this group as a group that was set up to perform legitimate and indeed important func-

tions of coordination among the various parts of the Department with respect to responding to inquiries from the Congress and I, based on his letter back to Senator Mack, would say that he continues to believe that there was indeed no -- in fact, no problem with the substance of the activities in which this group was engaged, again, based on the letter that he sent back.

I understand his view to be that his exempting BLS or removing BLS from further participation in this group reflects his concern with avoiding any appearance that might be negative.

**Representative Saxton.** Did you have an opportunity to talk with the Secretary about this subject?

**Ms. Abraham.** I did not, in fact, speak to him directly about it. I obviously let him know that Senator Mack had expressed concerns and then, as I know you are aware, Senator Mack wrote to him directly and he then responded to that letter.

Senator Mack had asked me as well to report back on the BLS involvement in this and I don't know whether you would like me to speak to that.

**Representative Saxton.** If you would like to enlighten us, that would be very welcome.

**Ms. Abraham.** Certainly. As I indicated to the Senator at the last meeting of the Committee, when the BLS was notified that this coordinating group was being ordered and asked that -- I was being asked to designate a representative to that group, I designated as our representative our Deputy Commissioner, who is a long-time career servant, civil servant at the Bureau that has been there 26 years now I guess.

The reason that I picked Mr. Barron is that over the years, he has participated in many such coordination groups, coordination activities under many different administrations and I felt very confident -- continue to feel very confident -- that any activity of that sort, he would exercise appropriate judgment as to what kinds of things the BLS should or should not be doing.

After the hearing last month, I went back and spoke with him.

**Representative Saxton.** Can you tell me his name again?

**Ms. Abraham.** Mr. Barron. William Barron. You may have met him. He was, for nearly two years, the Acting Commissioner in between Ms. Norwood's tenure and mine. Based on the information that he gave me, I feel very comfortable that the BLS was in fact, not asked to do anything that was inappropriate for us.

We participated in one organizational meeting. We subsequently provided some information on -- factual information on BLS programs and also on the BLS budget that were relevant to responding to some requests that had come in. So based on what, in fact, happened with this group, I, as I said, feel very comfortable that in terms of the substance of things, we were not asked to do anything inappropriate.

**Representative Saxton.** Does Mr. Barron still attend meetings?

**Ms. Abraham.** No. No. We attended one organizational meeting and subsequently provided some written materials. That was the sum total of our involvement.

**Representative Saxton.** Did you have an opportunity to talk to Mr. Barron subsequent to the organizational meeting?

**Ms. Abraham.** He in fact did not attend that meeting. It was held -- it had been held -- prior to the last hearing. I had not been aware of it. He wasn't able to go. The person who went to the meeting was our Assistant Commissioner for Administration and I talked to him as well.

**Representative Saxton.** And did he give you any indication that there had been any suggestion that BLS should take part in this political process in any way?

**Ms. Abraham.** No. It was a logistical sort of meeting. I did speak to him and there was also on his part no feeling that we had been asked to do anything inappropriate. I don't know if you have seen the letter that I sent to Senator Mack that lays this out. I am in essence repeating it to you.

**Representative Saxton.** On that subject, your response to Senator Mack's request, "Our understanding is that BLS has been exempted from all aspects of the political effort that was established by Secretary Reich."

Is it correct to say that the BLS will not be participating in any activities described in these DOL documents? For example, will BLS be participating in the activities of the Rapid Response Team?

**Ms. Abraham.** My understanding is that based again on the letter from the Secretary to the Senator, that the BLS will not participate in this process in any way in the future and that is the understanding that I am proceeding on.

**Representative Saxton.** Did BLS participate in any way in the past?

**Ms. Abraham.** No. The only thing -- the only way in which we have been involved in this process has been attending an organizational meeting and, as I indicated, providing some written materials on describing our programs and laying out some things related to our budget. There obviously are some requests that come in from the Congress and there is

information we are going to need to provide. If questions come in about grant-giving activities, grants that are being given out by the Department of Labor and we have grants or contracts.

**Representative Saxton.** Who would those requests come in from?

**Ms. Abraham.** There was a -- they might come in from Members of Congress. I know there was, for example, a request that had come in for information on grants that were being given out by the Department of Labor. I can find out, but I don't know the name of the Member of Congress. That was -- the information on our budget that we provided was at least in part in response to that request.

Obviously, if that kind of factual request for factual information comes in, we need to respond to it. But beyond that, we would not be -- we have to do that. We don't do things that are policy related. I don't know if I am giving you good answers --

**Representative Saxton.** Have you ever tried to put a favorable spin on anything?

**Ms. Abraham.** No. It is, as you know, very important that we not do that since if we ever started to do that, then our objectivity would be in question.

**Representative Saxton.** I agree.

The Committee is now in possession of two documents provided pursuant to Senator Mack's request. The first document has a heading, and I quote, OS -- OASP's Outline for the Oversight Process. The second document has a heading Central Oversight Team Assignments. I would now ask unanimous consent to put this material in the record.

[The OASP's Outline for the Oversight Process and Central Oversight Team Assignments appear in the Submissions for the Record.]

**Representative Saxton.** Have you or anyone else at BLS received other materials from anyone at the Department of Labor in any way related to the activities described in these first two documents? And if you have, how many documents or papers or any other materials have been received by BLS personnel and could you please provide copies of any such materials to the Committee to complete the record?

**Ms. Abraham.** I certainly could do that. I personally am in fact seeing these materials for the first time. When we were asked to participate in this group, I designated Mr. Barron as our contact person and whatever materials were sent out went to him, so I can speak to him about what he may have received.

**Representative Saxton.** You have personally not seen any other documents, is that correct?

**Ms. Abraham.** I have not, no.

**Representative Saxton.** And to your knowledge, have any other documents been circulated in BLS from the Secretary or from anyone else?

**Ms. Abraham.** Not to my knowledge, but I wouldn't necessarily know.

**Representative Saxton.** Would you check on that and if they have, would you provide them to the Committee so that we can make --

**Ms. Abraham.** I will certainly check on them.

**Representative Saxton.** -- so we can make them part of the record.

[The documents requested by Representative Saxton on the activities of the Central Oversight Committee appear in the Submissions for the Record.]

**Representative Saxton.** Let me ask you one final question on this subject. The fact that BLS was originally asked -- may be directed to be part of this political response team and that my impression is that as far as I know, all other entities within the Department of Labor were requested similarly or directed similarly, do you have any idea as to whether or not the people who are involved with the policy management of pension funds or ERISA were involved in this political process in any way?

And let me just follow up with whether or not this has any relationship to the Bureau -- the Department of Labor's position relative to economically targeted investments? Is there any relationship or is there any reason for us to need to look into the politicalization of economically targeted investments and ERISA and that whole subject?

**Ms. Abraham.** Let me say two things. One is, my understanding of the BLS involvement in this group was that we were participating in the group insofar as it was coordinating different agencies' responses to informational inquiries from the Congress, which is all that we were involved in in this.

I have no reason to think, as I said already, that our involvement in this process was in any way inappropriate, and I think there is some sense indeed for some mechanism for coordinating responses to inquiries. As to the -- but as I already indicated, our representative to this group was Mr. Barron and I have not been involved in his activities and I also, therefore, can't speak to what extent in what way other parts of the Department of Labor have participated. I am just -- I don't have that information.

**Representative Saxton.** So you have no way of knowing. The question then is an open one as far as our discussion here is concerned about whether ERISA would have been involved in any way in this process?

**Ms. Abraham.** That is just not something I could speak to.

**Representative Saxton.** Thank you. Well, I would just say that I think it is very unfortunate that Secretary Reich put BLS in this rather awkward position with his original directive or request or whatever it was as part of the political process. We depend, and the country depends very much, on accurate reporting data and we have the highest degree of respect for the integrity that you bring to us and we are very pleased with the role that you have played here.

But the idea that somehow labor statistics and statistics that we depend on to know what is happening with the economy could somehow be tainted by the political process is somewhat disturbing, and I thank you for your very forthright responses to, I think, some questions that are very difficult.

**Ms. Abraham.** As you know, I very much appreciate your strong support for the independence and the integrity of the BLS.

**Representative Saxton.** Thank you.

Mr. Stark.

**Representative Stark.** Thank you, Mr. Chairman. Never in my adult life have I found statistics so exciting. Dr. Abraham, you have a Ph.D. in economics?

**Ms. Abraham.** That is correct.

**Representative Stark.** Can you think in the course of your undergraduate and graduate training of any course that you ever took that was more boring than statistics?

**Ms. Abraham.** I actually find statistics rather fascinating, which makes --

**Representative Stark.** You got a lot better grade in it than I did. So you like all this. Now, I will tell you what statistics I know.

What are the odds after the coin is thrown?

**Ms. Abraham.** I guess they are pretty much certain.

**Representative Stark.** No, they are always the same, aren't they?

Mr. Dalton, what are the odds when the coin is thrown?

**Mr. Dalton.** A coin?

**Representative Stark.** They are 50/50, aren't they? Always, once the coin is thrown.

**Representative Manzullo.** Is this congressional we are talking about?

**Representative Stark.** Yes, sir. Now, just further, because I do think Senator Mack is onto something here. In all seriousness, statistics is, in fact, one of the more scientific elements of the economics profession. I can't think of anything that would do more harm than a pentium chip to a statisticians' professional reputation, and I assume both Mr. Dalton and Mr. Plewes would consider themselves professional statisticians, other than to cook the numbers. This would probably be the source of untold embarrassment and professional disgrace.

Would you agree with that, Mr. Dalton?

**Mr. Dalton.** Yes.

**Representative Stark.** Mr. Plewes?

**Mr. Plewes.** Yes, sir.

**Representative Stark.** Let me go a step further. You don't have to answer this question, but Mr. Plewes, do you own an automobile?

**Mr. Plewes.** Yes, sir.

**Representative Stark.** Does it have a political bumper sticker on it?

**Mr. Plewes.** No, sir.

**Representative Stark.** Mr. Dalton, do you own an automobile?

**Mr. Dalton.** Yes, I do.

**Representative Stark.** Does it have a political bumper sticker on it?

**Mr. Dalton.** It has no sticker on it.

**Representative Stark.** I would like, Dr. Abraham, you to review the parking lot at the Bureau of Labor Statistics and count for me the political bumper stickers. I can see a case where -- if Ames had two partners, Dalton and Plewes, who we don't know are attached still to the KGB or ASAD or some other foreign spying operation and they are in there trying to louse up the country by cooking the numbers -- we could be in really bad shape.

If this line of questioning sounds somewhat in jest, the fact is that there is nothing to be gained by changing a statistical methodology except consistency and accuracy, and you live by the same sword and you die by it, so that if you were inclined to make an error or do something to steer the numbers, this could have gross and unintended results that would be impossible for a statistician to predict. Is that not correct? You can't bug the formula and then predict the results in a statistical sense.



**Ms. Abraham.** If I understand what you are asking, it certainly is true that the number one thing for an organization like the BLS to be is objective, scientific, impartial in the way that our data are produced, and you are also correct that --

**Representative Stark.** If you wanted to raise the CPI in 10 years or five years, I am not sure you could do that. You take just as big a risk, that you lowered it. Once you get the amplitude of some projection further away from the trend line, it could go down as fast as it goes up. I am suggesting that this is just not in the nature of statisticians and statistical people. To produce bad numbers hardly seems to me to be an area in which you can influence government policy or the course of destiny of a great democracy.

Let me go to something a little closer to home and something with which I am more familiar, and that is the minimum wage. The President proposed increasing it, and he is holding a press conference or held one this morning, I understand, to announce it. Based on the new published numbers on the share of workers who earn different hourly wages, can you tell me what share of the workers earn less than \$4.25 an hour, which is the current Federal minimum?

**Ms. Abraham.** Let's see. I have some figures here. The figures that we typically look at are figures on the -- on workers who are paid hourly rates. That obviously leaves out some people who are paid on a salary basis and who, when you work out their needs on an hourly basis, might have earnings at or below the minimum.

The most current figures I have available are figures for calendar year 1993. We will shortly have figures available for calendar year 1994; 6.6 percent of all workers paid on an hourly basis earned at or below \$4.25 an hour in calendar year 1993, 4 percent earned exactly \$4.25, 2.6 percent earned -- reported earnings of below \$4.25.

**Representative Stark.** And I presume that if you were -- these calculations are difficult for me to do with my shoes and socks on -- but if you were a full-time, full-year worker, you would clock in at around 8,500 dollars a year, is that correct?

**Ms. Abraham.** If you assume working 40 hours a week, 50 weeks a year for 2,000 hours a year, that would be right.

**Representative Stark.** I know that that is below the poverty level for a family of three. What is the poverty level for a family of two? For a family of three, the poverty level is somewhat above \$8,500. If you had a single mother who is trying to work her way off welfare, which is a topic of discussion in other hearings that are going on on the Hill today,

it would be difficult, it seems to me, at the minimum wage, to pay for day care, support a child and exist anywhere even near the poverty level on a minimum wage job.

Is that a fair conclusion?

**Ms. Abraham.** It is a judgment that I guess you are as well-equipped to make as anyone.

**Representative Stark.** Actually, it has been a long time, since I worked for 25 cents an hour. That is how far I go back. What share of the people making \$4.25 an hour or less are women?

**Ms. Abraham.** Let's see. Of those, there are -- again, of workers paid hourly rates, there were 4.2 million such workers and 2.6 million of them were women. So about 62 percent were women age 16 and up.

**Representative Stark.** Sixteen and up?

**Ms. Abraham.** Yes. There is a fair number of --

**Representative Stark.** How about over 20?

**Ms. Abraham.** The way I have it broken out -- well, it is over 20, let me figure that out for you. About 45 percent were women age 20 and over.

**Representative Stark.** And that would be in numbers about?

**Ms. Abraham.** That would be about just under about 1.9 million.

**Representative Stark.** Let me round that to 2 million. What is 1 percent of the job market, how many million is that?

**Ms. Abraham.** About 1.2 million.

**Representative Stark.** I recall -- and I have repeatedly used these numbers, I don't think I was challenged, but I may be this morning--but the last time we raised the minimum wage, whenever that was, 1990, 1991, we raised it 45 cents in a 12-month period as I recall. 45 cents in 1991 -- 1990 and 1991.

**Mr. Plewes.** I have got it here. On April 1, 1990 it was \$3.35. On April 1, 1990 it went up to \$3.80 and then on April 1, 1991, it went up to \$4.25.

**Representative Stark.** So we raised it about 90 cents an hour over a period of 12 months. Now, I recall that there was almost no decrease in employment after the final increase. And I recall further that what little decrease there was -- I think that analysts have used the number, if you raise the minimum wage 10 percent, you might get a 1 percent decrease short-term in employment and then it will catch up. But in this case,

almost all of the employment that was generated, less than 1 percent, was in among teenagers under 18.

I don't know if you have these numbers, but my assumption is, and this is -- what I would like to comment on -- if we were to raise the minimum wage, a large portion of the women we are trying to help and encourage to go to work and come off welfare would be most affected by that increase. And to some extent, whatever cost is involved in raising the minimum wage, people would say that the cost in lost jobs would more than be made up by the benefits to the country in lower AFDC, Medicaid payments and so forth for those who were able to work their way off welfare. Or to say it another way, the increase in the minimum wage would be directed or focused to a large extent, perhaps 40 or 50 percent, to those people for whom the government currently has some financial obligation.

Am I going in the right direction?

**Ms. Abraham.** Well, I guess trying to draw conclusions about what hypothetically would happen if there were a policy change made really goes well beyond the data, which is what --

**Representative Stark.** Let's not draw a conclusion. Let's just say that if the increase were put into effect, a large amount of that would go to these same people who are below the poverty level. That is all -- I can't ask you to interpret any further.

**Ms. Abraham.** The information that would be helpful -- possibly relevant -- to have would be some information on, say, the family earnings of people currently earning the minimum. And I regret that I don't have that here, though I can -- it is possible to get such information from our household survey and I could look at that and provide it for the record.

[The material on minimum wage appears in the Submissions for the Record.]

**Representative Stark.** Thank you very much.

Thank you, Mr. Chairman.

**Representative Saxton.** I thank the Ranking Member for his contribution. And just let me say by way of a good-natured response, I have been counting bumper stickers and I have every bit of respect for Dr. Abraham, while she and I have taken part in lots of discussions in this forum and her answer to you when you asked her a tough question that your opinion is as good as anyone's, or words to that effect, is the response that I very often give when I ask those difficult questions, and

she has never in the several years that we have been doing this gone out of her way or in any way given us an answer that would be --

**Representative Stark.** She hasn't helped you, Mr. Chairman.

**Representative Saxton.** She has helped me a lot with statistics. I would point out one other thing before we go to Mr. Manzullo who is the next questioner, that we really didn't bring this subject of politicalization up. *The Washington Post* did in a January 5th article of this year had -- they said, lead paragraph said, "Fighting Republicans is hard work. It takes time, energy and in the case of the Labor Department, a new layer of bureaucracy to deal with this new hazard to the Department's political safety and health. Labor Secretary Robert B. Reich has created a new Central Oversight Group," which was the subject that we were talking about here just a few minutes ago.

And frankly, I have more respect than ever for the three people who sit before us here today because they immediately responded to this Central Oversight Group by following orders, but not taking part, and we have gotten -- I will tell you what really concerns me though, Mr. Stark, I will tell you what really concerns me.

We are in the process of hearing from a Labor Department about the Labor Department's new policy with regard to pension plans and the use of pension fund monies to invest in economically targeted investments, and I want to know, I want to know if this Central Oversight Group and economically targeted investment concept are in any way related.

That is a very -- I will tell you how serious that is. We talk a lot about our deficit. It is almost \$5 trillion. The amount of pension funds that we administer or that we control through rules and regulations and statutes exceeds the amount of our national debt, and I think this is a very serious item for us to look at, and I am going to ask the question and I am going to find out the answer as to whether there is any connection between what Secretary Reich has asked this group to do and whether he has asked the ERISA people to take part in that process and what the connection is on what that means. It is serious, deadly serious.

Mr. Manzullo.

## **OPENING STATEMENT OF REPRESENTATIVE DONALD MANZULLO**

**Representative Manzullo.** Thank you, Mr. Chairman.

I was sort of amused by my colleague, Mr. Stark's, questions about the garage because I presume that will be the new place where Members who will no longer be able to sleep in their offices will now be sleeping in

their cars. It is important to tell the political persuasion. I am sure they will have blackened windows to provide some semblance of privacy.

Dr. Abraham, I too share -- this is just the second time I have had the opportunity to meet you. It is obvious that you are not a political person. Neither are your two colleagues. Two and two still add up to four and unless we politicize the mathematical tables, I presume that you will continue to be as forthright with us as you have been in the past. I have got a question and then more of a statement.

Are illegal immigrants showing up in the household survey?

**Ms. Abraham.** They should be. The way that the survey is designed is on a geographic basis, housing units are identified, a random sample of housing units, and the Census Bureau who does this survey for us goes out and talks to whomever is there. We do not, however, have any way of telling which of the people who are responding are illegal immigrants.

**Representative Manzullo.** Let me tell you the reason I asked the question. There is a horrible practice that the Department of Labor has been pursuing. I was -- I represent the Congressional District that is responsible for heavy manufacturing. And I was talking to a gentleman who has a fastening factory.

The Department of Labor came in and took a look at all of the records and said that one-half of the work force was comprised of illegal immigrants, even though facially they had presented what appeared to be bona fide credentials, Social Security Card, et cetera, and then the Department of Labor took this factory of about 400 employees and said, you must immediately fire 200 of these people, turned them out, nearly shut down their production line of this small factory, and do you know where those 200 people went? They went to another factory with the same facially correct documents and entered the work force there.

And my question really becomes one of policy, and I don't expect you to have the answer to it, if these illegal immigrants are being asked to leave and yet they are not being asked to be deported by the Immunization and Naturalization Services, that has got to be one of the most stupid programs of raiding businesses, destroying businesses and then moving on that I have ever seen.

And my constituent said, at least Department of Labor should be able to say, you have got X number of illegal immigrants working for you, even though we are not going to penalize you by fine because their credentials are facially correct. And he said, why can't we have a phase-

out period of 30 or 60 days during which period of time we could ease these people out and be able to save the production lines from shutting down?

And the manufacturer had asked that of the Department of Labor and they said, well, it is illegal to employ these people in the first place, so therefore once we find out they are employed, we have to force you to get rid of them.

Now -- I just, for the life of me -- this simply does not make sense, and I would like you to comment.

**Ms. Abraham.** As your initial remark suggested, that is really not something about which I can comment.

**Representative Manzullo.** I mean, why would therefore the number of illegal immigrants be showing up in the household survey? I mean, I don't expect you want to make a phone call to say, are you an illegal immigrant or a legal immigrant? I am just saying, we have got some very screwy figures here.

We have got companies back home that are looking for skilled workers and can't find them. I mean, there is a horrible shortage in the Midwest for skilled workers, skilled in the eyes of the employer, meaning people who have a desire to work and who show up not on drugs, and the employers are even willing to teach these workers, or to work with them to get off drugs and to teach them how to read and write.

And I find just a horrible situation going on where we have people unemployed and yet all these job openings and factories not being able to expand or even keep their present work forces, many times because of that horrible procedure of closing down these shops by the Department of Labor.

Again, it is more of a statement, but I think it ties into, when we are looking at how many people are unemployed, when I go by and I see signs in restaurants that say, we pay above minimum wage, and they still can't get people to work there, what good does it do to raise the minimum wage? It doesn't make sense.

Well, so much for that.

**Representative Saxton.** I thank the gentleman.

The gentleman from Texas, Mr. Thornberry.

### OPENING STATEMENT OF REPRESENTATIVE MAC THORNBERRY

**Representative Thornberry.** Thank you, Mr. Chairman.

And I just want to commend you for bringing this potential politicalization issue up. Certainly none of us can question the importance of having our numbers as accurate as we possibly can, and the policy implications of having accurate numbers are enormous and we have seen that.

Just one example is Chairman Greenspan's comment that perhaps our inflation numbers are somewhat inflated. The decisions that come from having accurate numbers permeate everything we do here and I certainly appreciate your efforts to make sure that there is not pressure to move things one way or another, even within a range.

I want to follow up on a question that you all were just talking about. Obviously this is a particular concern coming from Texas. As I understand it, on the household survey, there is -- illegal aliens are -- we expect, are included in the numbers. Is that --

**Ms. Abraham.** We expect they are.

**Representative Thornberry.** Do you have any suggestions on what we might be able to do to differentiate out illegal aliens from others or to at least get a feel to what extent they are included?

And let me ask this question. In looking at the numbers, have you seen fluctuations that might indicate more immigration, say, in periods of turmoil in Mexico when, along our southern border, some of these numbers might be increased?

**Ms. Abraham.** Let me try to answer the second part of your -- or tell you what we did look at to try to get an answer to the second part of your question. We do have information in the survey on -- for at least selected points of time historically, and now monthly -- on people's im-migrant status, that is, whether they were born outside of the United States or whether they were born here.

So we could investigate whether there is anything that we can learn about the answer to your substantive question by going back and trying to look at that. I don't know how successful we will be, but we will take a look at that.

The first part of your question had to do with trying to differentiate between people who are legal versus illegal immigrants. Sure, you could put a question on to ask people about that. Although that would be interesting information, we would be very worried about trying to do that on two counts. One, I am not sure that we would get accurate information from people, and two, I would be very concerned about the effect of adding that question to the survey on the survey response rates.

The survey's primary purpose, obviously, is to give us a good gauge of what is happening to conditions in the labor market, to track employment, unemployment. It is real important to the accuracy of the survey that we have a high response rate.

The Census Bureau has been phenomenally successful over the years in getting people to answer these questions and adding in something like that that was really, although very interesting and important, sort of tangential to the main purpose of the survey, that might have something -- that might have an adverse effect on the response rate. I think there may be other ways to try to learn about this rather than using our household survey.

**Representative Thornberry.** Is it possible that illegal aliens may be showing up in the payroll information as well?

**Ms. Abraham.** Yes. If they are on the payroll, if they are getting -- if they are in the employer's payroll system, they should be showing up there as well, though again, we don't have a way of differentiating.

**Representative Thornberry.** Thank you.

Thank you, Mr. Chairman.

**Representative Saxton.** Thank you, Mr. Thornberry.

The gentleman from Illinois, Mr. Ewing.

**Representative Ewing.** Thank you, Mr. Chairman, and I appreciate the opportunity to ask some questions here at this time.

On the illegal alien area, is there any Federal statute that you know of that prevents you from asking if a party is, in fact, an illegal alien?

**Ms. Abraham.** No, I don't think so. I don't know if there is any statute that would prohibit that, though as I was trying to argue, I have reservations about whether it would be a good idea.

**Representative Ewing.** I have heard that there is such a statute and whether it actually applied to your Department --

**Ms. Abraham.** Oh, there may be a -- this is outside my area of expertise. There may be a statute prohibiting an employer from asking about that. I don't know.

**Representative Ewing.** Fine.

**Ms. Abraham.** But as far as I know, there is no bar to our asking that on a survey questionnaire.

**Representative Ewing.** On minimum wage, today are there certain persons or classes of workers that are exempt from the current minimum wage or have a lower minimum wage?



**Ms. Abraham.** Again, you are taking me somewhere outside of my expertise here. Going back to my days as an instructor, undergraduate labor economics courses, there are some groups who are exempt, though the size of those groups has shrunk considerably over time. There also is a special provision in the law for a lower wage for student workers.

Do you know of any other special provisions, Tom? There was a special provision concerning trainings as well.

**Representative Ewing.** And I was thinking of student age workers particularly. Maybe that is what it is, and I am assuming that the President's proposal doesn't propose to change that, or maybe it does. Do you --

**Ms. Abraham.** I have not seen it. I don't know.

**Representative Ewing.** Is there a ripple effect with the increase in the minimum wage or do you anticipate that through all the whole series of higher wage scale?

**Ms. Abraham.** That really, again, gets into questions about how, if there is a change in policy, people are likely to behave in response, which is just outside of what I am really able to speak to. We see our mission as trying to provide the best possible data for other people to use in their analyses.

**Representative Ewing.** All right. And finally then, I haven't had the chance to totally read your statement. Do you give any indications of reasons why the unemployment rate may go up or down in this statement or when you put out a report? Circumstances which might have affected --

**Ms. Abraham.** We do try, if there are particular things that we can point to that seem relevant, to talk about those. There wasn't anything in this month's statement that we saw that -- in terms of something going on in the labor market that we could point to that could explain what happened in January, if that is your specific question.

I guess I would maybe augment what the statement said by saying that January is always a particularly difficult month to produce properly seasonally adjusted data for, and the reason for that is that in between December and January, there are always enormous flows of people who are employed, out of employment, into and out of the labor force, and given the magnitude of those huge flows in the non-seasonally adjusted data, getting the seasonal adjustment exactly right is always particularly difficult in January.

**Representative Ewing.** So you would have nothing in your report that would show the fact that at the time this was taken, we had raised the

interest rate six times in the year, and now a seventh, and how that might have affected?

**Ms. Abraham.** No. Again, trying to tease that out of the data is something we leave to others.

**Representative Ewing.** Thank you.

**Representative Saxton.** Thank the gentleman.

I would just say with regard to the gentleman's questions and the previous gentleman, Mr. Thornberry's questions as well, regarding the minimum wage, Speaker Gingrich has asked me to, on the House side, to the structure provided by this Committee, to hold a series of hearings relative to the minimum wage situation, the suggestion by the Administration that the minimum wage be increased.

And I think one of the things that the Speaker points to is that a CBO analysis done several years ago when there was some talk about increasing the minimum wage, the CBO itself suggested that increasing the minimum wage by a significant amount -- I have forgotten exactly what it was, it was in the neighborhood of a dollar if my memory serves me correctly -- would eliminate somewhere between 250,000 jobs and 500,000 jobs. So your questions are well put.

And Dr. Abraham, in the tradition of her objectiveness, objectability -- whatever it is --

**Ms. Abraham.** I hope not objectability.

**Representative Saxton.** -- has provided the response that we would expect. We thank you for being here.

Any other questions from any of the Members this morning? Comments?

Dr. Abraham, we thank you, and Mr. Plewes and Mr. Dalton, we thank you for being here with us and we know that time and time again we ask difficult questions. Your answers have always been straight-forward. We appreciate that and we look forward to seeing you again in a few weeks.

**Ms. Abraham.** Thank you, Mr. Saxton.

**Representative Saxton.** Thank you.

[Whereupon, at 10:45 a.m., the hearing was adjourned.]

**SUBMISSIONS FOR THE RECORD**

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**PREPARED STATEMENT OF REPRESENTATIVE  
JIM SAXTON, VICE CHAIRMAN**

The job data released by BLS this morning are cause for great concern. The significant increase in the unemployment rate and weakness in employment growth, if repeated in coming months, would signal trouble ahead. These data suggest what can happen when a high tax and regulation policy are no longer subsidized by an inflationary monetary policy. While more months of data will be needed before drawing firm conclusions, the transition of fed policy from an unsustainably loose policy to a more neutral one may now bring to the surface the hidden costs of Clinton policies. And if the fed over-shoots, which a number of economists fear may have happened already, we may be facing some rather unpleasant economic turbulence ahead.

Loose money and zero percent short term interest rates can make almost any fiscal policy, however destructive over the longer term, look successful in the short run. However, now, with many economists predicting a slowdown in 1995, speedy enactment of the economic growth components of the Contract with America is imperative. The contractionary effects of Clinton policies must be reversed in order to ensure continued economic growth.

**PREPARED STATEMENT OF KATHARINE G. ABRAHAM**  
Together with Press Release No. 95-37 entitled, "The Employment  
Situation: January 1995," Bureau of Labor Statistics, Department of  
Labor, February 3, 1995

FOR DELIVERY: 9:30 A.M., E.S.T.  
FRIDAY, FEBRUARY 3, 1995

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Advance copies of this statement are made available to the  
press under lock-up conditions with the explicit  
understanding that the data are embargoed until 8:30 a.m.  
Eastern time.

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Statement of  
  
Katharine G. Abraham  
Commissioner  
Bureau of Labor Statistics  
  
before the  
  
Joint Economic Committee  
  
UNITED STATES CONGRESS  
  
February 3, 1995

Mr. Chairman and Members of the Committee:

I appreciate this opportunity to provide comments on  
the labor market data released this morning.

Following job gains that averaged 290,000 per month  
during 1994, payroll employment rose by 134,000 in January.  
The unemployment rate increased to 5.7 percent, after  
dipping to 5.4 percent at the end of last year.

Clearly the brightest spot in data for January was the  
continued growth of manufacturing employment. During much  
of 1994, the industry had displayed an on-again, off-again  
pattern of growth, but, starting in October, it has had  
steady, sizable increases. The January increase of 39,000

factory jobs brings the 4-month gain to 161,000. The increase since the industry's September 1993 low totals 323,000. Fabricated metals, industrial machinery, motor vehicles, and rubber and plastics continued their strong performance in January. In another sign of the strength in at least certain parts of manufacturing, overtime hours edged up to a record 4.9 hours and overall factory hours remained at historically high levels.

Transportation and wholesale trade also continued to add jobs in January, benefiting from manufacturing's recent growth. Construction employment was up over the month, largely reflecting the unseasonably warm weather throughout the country.

Employment in the services industry increased by 53,000 in January, an unusually small gain for an industry that typically has been a major source of job growth. Employment growth was relatively slow in both health and business services, although the personnel supply component within business services had another substantial increase. Small job losses occurred in amusements and recreation and in agricultural services, in both cases the result of the weather: The lack of snow hurt the ski industry, and heavy rains on the west coast adversely affected services to agriculture.

Retail trade employment was little changed in January, after rising substantially in November and December.

Declines in general merchandise stores and eating and drinking places largely offset gains in other retail industries.

Another item that deserves mention this morning is the rise of average hourly earnings. In recent months, the average hourly earnings series has received considerable attention as a barometer of labor costs. In January, hourly earnings posted a relatively large over-the-month increase of 7 cents, or 0.6 percent. I would make several points about this change. First, the increase partly reflects the fact that January's employment gain was more concentrated than usual in industries with long workweeks and high earnings. Second, the size of the change in this series varies considerably from month to month. A gain of similar magnitude occurred in October, only to be followed by a decline in November and a small increase in December. Over the past 12 months, the increase in average hourly earnings has been 2.7 percent.

As I stated earlier, the unemployment rate rose to 5.7 percent in January. The data from our survey of households also showed an increase in both the number of persons unemployed due to job loss and the number unemployed for less than 5 weeks, that is, the newly unemployed. In addition, the number of persons working part time when they would have preferred full-time employment was up over the month.

The increase in the unemployment rate to 5.7 percent should be viewed in the context of the longer term. The rate had been on a steady downward trend throughout 1994. (Comparisons prior to that date are complicated by the changes introduced to the household survey last January.) Experience tells us that we cannot conclude that an underlying trend has changed based on any single month's data.

Another broad measure of labor market activity is the proportion of the population that is employed. Over the past 3 months, the employment-to-population ratio has held at 63.0 percent, which is up eight-tenths of a percentage point from the January 1994 level.

In summary, payroll employment growth was less robust in January than in recent months, although manufacturing employment continued to increase at a strong pace. Unemployment was up over the month; at 5.7 percent, the January rate was a full percentage point below the rate of a year earlier.

My colleagues and I now would be glad to answer any questions you might have.

# News

United States  
Department  
of Labor



Bureau of Labor Statistics

Washington, D.C. 20212

**Technical information:**

USDL 95-37

**Household data:**

National

(202) 606-6378

606-6373

Transmission of material in this release is  
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State

606-6392

**Establishment data:**

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Friday, February 3, 1995.

**Media contact:**

606-5902

## THE EMPLOYMENT SITUATION: JANUARY 1995

Unemployment rose in January and nonfarm payroll job growth slowed, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. After declining markedly during 1994, the nation's jobless rate rose by 0.3 percentage point to 5.7 percent.

The number of nonfarm payroll jobs (as measured by the survey of employers) increased by 134,000 in January, after having risen by nearly 750,000 in the prior 2 months. Total employment (as measured by the survey of households) was little changed over the month.

Chart 1. Unemployment rate, seasonally adjusted,  
February 1992 - January 1995

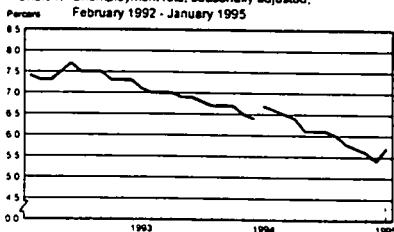
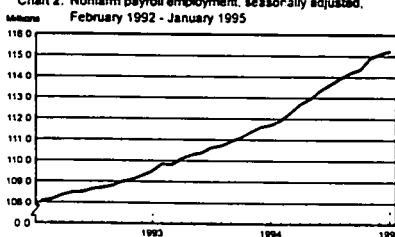


Chart 2. Nonfarm payroll employment, seasonally adjusted,  
February 1992 - January 1995



### Unemployment (Household Survey Data)

The number of unemployed persons increased by 343,000 to 7.5 million in January, and the unemployment rate rose by 0.3 percentage point to 5.7 percent, after seasonal adjustment. Unemployment had been on a downward trend in 1994; the level had declined by 1.6 million, and the jobless rate had fallen by 1.3 percentage points, from 6.7 percent in January to 5.4 percent in December. (See table A-1.)

Among the major worker groups, adult men accounted for much of the January increase in unemployment: their jobless rate was up by 0.3 percentage point over the month to 5.0 percent. The rate



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

Category	Quarterly averages		Monthly data			Dec.-
	1994		1994		1995	Jan.
	III	IV	Nov.	Dec.	Jan.	change
<b>HOUSEHOLD DATA</b>						
<b>Labor force status</b>						
Civilian labor force.....	131,050	131,696	131,718	131,725	132,136	411
Employment.....	123,207	124,371	124,403	124,570	124,639	69
Unemployment.....	7,843	7,325	7,315	7,155	7,498	343
Not in labor force.....	66,000	65,904	65,889	66,040	65,617	-423
<b>Unemployment rates</b>						
All workers.....	6.0	5.6	5.6	5.4	5.7	0.3
Adult men.....	5.3	4.9	4.9	4.7	5.0	.3
Adult women.....	5.3	4.9	5.0	4.7	4.9	.2
Teenagers.....	17.5	16.7	15.8	17.2	16.7	-.5
White.....	5.2	4.9	4.8	4.8	4.9	.1
Black.....	11.1	10.4	10.5	9.8	10.2	.4
Hispanic origin.....	10.0	9.1	8.8	9.2	10.2	1.0
<b>ESTABLISHMENT DATA</b>						
<b>Employment</b>						
Nonfarm employment.....	113,908	p114,774	114,882	p115,092	p115,226	p134
Goods-producing <sup>1</sup> .....	23,634	p23,800	23,827	p23,858	p23,927	p69
Construction.....	4,953	p5,021	5,044	p5,044	p5,071	p27
Manufacturing.....	18,079	p18,181	18,183	p18,218	p18,257	p39
Service-producing <sup>1</sup> .....	90,274	p90,974	91,055	p91,234	p91,299	p65
Retail trade.....	20,420	p20,638	20,655	p20,736	p20,748	p12
Services.....	32,031	p32,381	32,414	p32,497	p32,550	p53
Government.....	19,087	p19,158	19,190	p19,163	p19,131	p-32
<b>Hours of work<sup>2</sup></b>						
Total private.....	34.5	p34.7	34.6	p34.6	p34.9	p0.3
Manufacturing.....	42.0	p42.1	42.1	p42.2	p42.2	p.0
Overtime.....	4.6	p4.8	4.8	p4.8	p4.9	p.1
<b>Earnings<sup>2</sup></b>						
Average hourly earnings, total private.....	\$11.14	p\$11.24	\$11.23	p\$11.25	p\$11.32	p\$0.07
Average weekly earnings, total private.....	384.59	p390.15	388.56	p389.25	p395.07	p5.82

<sup>1</sup> Includes other industries, not shown separately.

<sup>2</sup> Data relate to private production or nonsupervisory workers.

p = preliminary.

for adult women (4.9 percent) rose slightly, while that for teenagers (16.7 percent) was little changed from the prior month. The rate for Hispanics rose to 10.2 percent in January, equaling that for blacks for the first time (Hispanic data first became available in 1973). The rate for whites, at 4.9 percent, changed little from the December figure. (See tables A-1 and A-2.)

The rise in joblessness reflected primarily an increase in the number of newly unemployed persons (less than 5 weeks duration). Their number rose by 350,000 over the month to 2.9 million. There also was an increase in the number of unemployed persons on temporary layoff—those expecting to be recalled to their jobs. At 1.1 million in January, the number of such workers was up by 131,000 from the prior month. (See tables A-5 and A-6.)

The number of persons working part time for economic reasons—sometimes referred to as the partially unemployed—increased by 271,000 over the month to 4.7 million. (See table A-3.)

#### Total Employment and the Labor Force (Household Survey Data)

The number of employed persons was about unchanged over the month, at 124.6 million (seasonally adjusted). That measure had increased substantially during the last half of 1994. The employment-population ratio—the proportion of the working-age population with jobs—was 63.0 percent for the third consecutive month. (See table A-1.) A total of 7.2 million workers (not seasonally adjusted), or 5.8 percent of all employed persons, held two or more jobs in January (table A-8).

At 132.1 million, the number of persons in the labor force rose by 411,000 over the month. The labor force participation rate was up by 0.2 percentage point to 66.8 percent. Compared with a year ago, the labor force has risen by 1.5 million. (See table A-1.)

#### Persons Not in the Labor Force (Household Survey Data)

The number of persons with a marginal attachment to the labor force—those who wanted and were available for work, but were no longer actively looking for jobs after having searched sometime in the past 12 months—was 1.8 million (not seasonally adjusted) in January. Of that number, those who were not looking because they believed their prospects for finding jobs were poor—discouraged workers—totaled 440,000. (See table A-8.)

#### Industry Payroll Employment (Establishment Survey Data)

Total nonfarm payroll employment rose by 134,000 in January, seasonally adjusted, following generally larger gains throughout 1994. Manufacturing continued to add jobs at a brisk pace, but job growth in services and retail trade was considerably slower than in recent months. (See table B-1.)

Manufacturing employment continued its upward trend in January with a seasonally adjusted increase of 39,000. Gains were concentrated in motor vehicles, fabricated metals, industrial machinery, and rubber and plastics. These industries, along with electronic equipment, have accounted for the bulk of the manufacturing job growth in the past several months. The large increase in automobile jobs (16,000) reflected continued production in factories that typically shut down at the beginning of the year to adjust inventories. Employment growth of 27,000 in the construction industry in January was boosted by relatively mild temperatures across the nation.

Services employment increased by 53,000 in January, the smallest monthly gain in nearly 2 years. Business services had its smallest rise since last spring, despite another gain in its personnel supply component. Health services, where growth has been limited by the drive for cost containment, also had relatively weak growth for the month. Weather-related job declines occurred in amusement and recreation services, where the lack of snow affected the ski industry, and in agricultural services, which suffered from the flooding in California. On the positive side, there was continued strength in social services, engineering and management services, auto repair, and motion pictures.

Retail trade employment was virtually unchanged in January, following substantial gains in the prior 4 months. Sizable declines in general merchandise stores and eating and drinking places in January partially countered large increases experienced by these industries at the end of 1994. Jobs in the transportation and public utilities industry rose by 15,000 in January, as growth continued in trucking and warehousing. Wholesale trade employment increased by 16,000, continuing its pace of job growth set over the past year. In contrast, government employment decreased by 32,000 over the month. Most of this drop was in Federal employment, reflecting continued downsizing, as well as the dismissal of a large number of workers from the Postal Service who had been hired for the holiday season.

#### Weekly Hours (Establishment Survey Data)

- The average workweek for production or nonsupervisory workers on private nonfarm payrolls increased by 0.3 hour in January to 34.9 hours, seasonally adjusted. The workweek for manufacturing workers was unchanged over the month at 42.2 hours, while factory overtime edged up 0.1 hour to a new high of 4.9 hours. The index of aggregate weekly hours of private production or nonsupervisory workers on nonfarm payrolls increased 1.0 percent to 132.3 (1982=100). The manufacturing index rose by 0.3 percent to 107.5, as a result of the increase in employment. (See tables B-2 and B-5.)

#### Hourly and Weekly Earnings (Establishment Survey Data)

Average hourly earnings of private production or nonsupervisory workers rose 7 cents in January to \$11.32, seasonally adjusted. Similar large increases last January and again in October were followed by 2 months of no (net) change. Average weekly earnings in January climbed 1.5 percent to \$395.07. Over the year, hourly earnings rose by 2.7 percent and weekly earnings by 3.0 percent. (See table B-3.)

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The Employment Situation for February 1995 will be released on Friday, March 10, 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 conducted by the Bureau of the Census for 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. In March 1993, the sample included over 390,000 establishments employing over 47 million people.

For both surveys, the data for a given month relate to a particular week or pay period. In the household survey, the reference week is generally the calendar week that contains the 12th day of the month. In the establishment survey, the reference period is the pay period including the 12th, which may or may not correspond directly to the calendar week.

### Coverage, definitions, and differences between surveys

**Household survey.** The sample is selected to reflect the entire civilian noninstitutional population. Based on responses to a series of questions on work and job search activities, each person 16 years and over in a sample household is classified as employed, unemployed, or not in the labor force.

People are classified as *employed* if they did any work at all as paid employees during the reference week; worked in their own business, profession, or on their own farm; or worked without pay at least 15 hours in a family business or farm. People are also counted as employed if they were temporarily absent from their jobs because of illness, bad weather, vacation, labor-management disputes, or personal reasons.

People are classified as *unemployed* if they meet all of the following criteria: They had no employment during the reference week; they were available for work at that time; and they made specific efforts to find employment sometime during the 4-week period ending with the reference week. Persons laid off from a job and expecting recall need not be looking for work to be counted as unemployed. The unemployment data derived from the household survey in no way depend upon the eligibility for or receipt of unemployment insurance benefits.

The *civilian labor force* is the sum of employed and unemployed persons. Those not classified as employed or unemployed are *not in the labor force*. The *unemployment rate* is the number unemployed as a percent of the labor force. The *labor force participation rate* is the labor force as a percent of the population, and the *employment-population ratio* is the employed as a percent of the population.

**Establishment survey.** The sample establishments are drawn from private nonfarm businesses such as factories, offices, and stores, as well as Federal, State, and local government entities. *Employees on*

*nonfarm payrolls* are those who received pay for any part of the reference pay period, including persons on paid leave. Persons are counted in each job they hold. *Hours and earnings* data are for private businesses and relate only to production workers in the goods-producing sector and nonsupervisory workers in the service-producing sector.

**Differences in employment estimates.** The numerous conceptual and methodological differences between the household and establishment surveys result in important distinctions in the employment estimates derived from the surveys. Among these are:

- The household survey includes agricultural workers, the self-employed, unpaid family workers, and private household workers among the employed. These groups are excluded from the establishment survey.
- The household survey includes people on unpaid leave among the employed. The establishment survey does not.
- The household survey is limited to workers 16 years of age and older. The establishment survey is not limited by age.
- The household survey has no duplication of individuals, because individuals are counted only once, even if they hold more than one job. In the establishment survey, employees working at more than one job and thus 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. The effect of such seasonal variation can be very large; seasonal fluctuations 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. For example, the large number of youth entering the labor force each June is likely to obscure any other changes that have taken place relative to 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.

In both the household and establishment surveys, most seasonally adjusted series are independently adjusted. However, the adjusted series for many major estimates, such as total payroll employment, employment in most major industry divisions, total employment, and unemployment are computed by aggregating independently adjusted

component series. For example, total unemployment is derived by summing the adjusted series for four major age-sex components; this differs from the unemployment estimate that would be obtained by directly adjusting the total or by combining the duration, reasons, or more detailed age categories.

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.

#### Reliability of the estimates

Statistics based on the household and establishment surveys are subject to both sampling and nonsampling error. When a sample rather than the entire population is surveyed, there is a chance that the sample estimates may differ from the "true" population values they represent. The exact difference, or *sampling error*, varies depending on the particular sample selected, and this variability is measured by the standard error of the estimate. There is about a 90-percent chance, or level of confidence, that an estimate based on a sample will differ by no more than 1.6 standard errors from the "true" population value because of sampling error. BLS analyses are generally conducted at the 90-percent level of confidence.

For example, the confidence interval for the monthly change in total employment from the household survey is on the order of plus or minus 359,000. Suppose the estimate of total employment increases by 100,000 from one month to the next. The 90-percent confidence interval on the monthly change would range from -259,000 to 459,000 (100,000 +/- 359,000). These figures do not mean that the sample results are off by these magnitudes, but rather that there is about a 90-percent chance that the "true" over-the-month change lies within this interval. Since this range includes values of less than zero, we could not say with confidence that employment had, in fact, increased. If, however, the reported employment rise was half a million, then all of the values within the 90-percent confidence interval would be greater than zero. In this case, it is likely (at least a 90-percent chance) that an employment rise had, in fact, occurred. The 90-percent confidence interval for the monthly change in unemployment is +/- 256,000, and for the monthly change in the unemployment rate it is +/- .22 percentage point.

In general, estimates involving many individuals or establishments have lower standard errors (relative to the size of the estimate) than estimates which are based on a small number of observations. The precision of estimates is also improved when the data are cumulated over time such as for quarterly and annual averages. The seasonal adjustment process can also improve the stability of the monthly estimates.

The household and establishment surveys are also affected by *nonsampling error*. Nonsampling errors can occur for many reasons, including the failure to sample a segment of the population, inability to obtain information for all respondents in the sample, inability or unwillingness of respondents to provide correct information on a timely basis, mistakes made by respondents, and errors made in the collection or processing of the data.

For example, in the establishment survey, estimates for the most recent 2 months are based on substantially incomplete returns; for this reason, these estimates are labeled preliminary in the tables. It is only after two successive revisions to a monthly estimate, when nearly all sample reports have been received, that the estimate is considered final.

Another major source of nonsampling error in the establishment survey is the inability to capture, on a timely basis, employment generated by new firms. To correct for this systematic underestimation of employment growth (and other sources of error), a process known as bias adjustment is included in the survey's estimating procedures, whereby a specified number of jobs is added to the monthly sample-based change. The size of the monthly bias adjustment is based largely on past relationships between the sample-based estimates of employment and the total counts of employment described below.

The sample-based estimates from the establishment survey are adjusted once a year (on a lagged basis) to universe counts of payroll employment obtained from administrative records of the unemployment insurance program. The difference between the March sample-based employment estimates and the March universe counts is known as a benchmark revision, and serves as a rough proxy for total survey error. The new benchmarks also incorporate changes in the classification of industries. Over the past decade, the benchmark revision for total nonfarm employment has averaged 0.2 percent, ranging from zero to 0.6 percent.

#### Additional statistics and other information

More comprehensive statistics are contained in *Employment and Earnings*, published each month by BLS. It is available for \$14.00 per issue or \$29.00 per year from the U.S. Government Printing Office, Washington, DC 20402. All orders must be prepaid by sending a check or money order payable to the Superintendent of Documents, or by charging to Mastercard or Visa.

*Employment and Earnings* also provides measures of sampling error for the household survey data published in this release. For unemployment and other labor force categories, these measures appear in tables I-B through I-H 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 2-B through 2-G of that publication.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-606-STAT; TDD phone: 202-606-5897; TDD message referral phone: 1-800-326-2577.

HOUSEHOLD DATA

HOUSEHOLD DATA

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

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted <sup>1</sup>						
	Jan. 1984	Dec. 1984	Jan. 1985	Jan. 1984	Sept. 1984	Oct. 1984	Nov. 1984	Dec. 1984	Jan. 1985	
	<b>TOTAL</b>									
Civilian noninstitutional population	185,863	187,788	187,753	185,863	187,248	187,430	187,807	187,788	187,753	
Civilian labor force	128,383	131,418	130,888	130,843	131,291	131,646	131,718	131,728	132,128	
Participation rate	69.0	69.8	69.1	69.7	69.8	69.7	69.7	69.8	69.8	
Employed	118,901	124,728	122,897	121,903	123,844	124,141	124,423	124,870	124,888	
Employment-population rate	61.2	63.1	62.0	62.2	62.7	62.8	62.8	63.0	63.0	
Agriculture	2,892	3,298	3,087	3,328	3,411	3,484	3,500	3,532	3,678	
Nonagricultural industries	117,009	121,444	119,810	118,876	120,233	120,647	120,923	121,338	121,210	
Unemployed	4,482	6,890	8,101	8,740	7,247	7,208	7,218	7,158	7,408	
Unemployment rate	7.3	8.1	8.2	8.7	6.8	6.7	6.6	6.4	6.7	
Not in labor force	66,581	66,347	67,058	65,310	66,867	65,784	65,880	66,040	66,617	
<b>Men, 16 years and over</b>										
Civilian noninstitutional population	93,828	94,851	94,748	93,828	94,878	94,871	94,788	94,851	94,788	
Civilian labor force	66,888	71,080	70,897	70,708	70,791	71,183	71,188	71,278	71,478	
Participation rate	74.5	74.8	74.5	73.3	74.8	75.1	75.1	75.3	75.4	
Employed	64,434	67,282	65,988	65,846	66,882	67,089	67,244	67,463	67,888	
Employment-population rate	68.6	70.8	69.8	70.1	70.8	70.8	71.0	71.1	71.1	
Unemployed	5,838	3,797	4,631	4,863	4,108	4,074	3,924	3,888	4,080	
Unemployment rate	7.9	5.3	6.6	6.9	5.8	5.7	5.5	5.6	5.7	
<b>Men, 20 years and over</b>										
Civilian noninstitutional population	66,778	67,817	67,828	66,778	67,821	67,438	67,828	67,817	67,888	
Civilian labor force	66,412	67,388	67,044	66,800	66,808	67,177	67,348	67,490	67,588	
Participation rate	78.5	78.9	78.6	78.0	78.8	78.8	78.9	79.0	79.2	
Employed	61,878	64,888	63,088	62,748	63,817	63,820	64,081	64,281	64,188	
Employment-population rate	71.1	73.3	72.1	72.3	72.7	73.0	73.2	73.4	73.3	
Agriculture	2,098	2,291	2,146	2,338	2,263	2,329	2,377	2,410	2,380	
Nonagricultural industries	59,880	61,878	60,942	60,410	61,224	61,491	61,704	61,871	61,748	
Unemployed	4,733	3,125	3,958	4,052	3,392	3,357	3,264	3,188	3,408	
Unemployment rate	7.1	4.6	5.9	6.1	5.1	5.0	4.9	4.7	5.0	
<b>Women, 16 years and over</b>										
Civilian noninstitutional population	102,044	102,919	103,004	102,044	102,878	102,788	102,839	102,919	103,004	
Civilian labor force	59,433	60,388	60,102	59,834	60,300	60,519	60,550	60,348	60,680	
Participation rate	58.2	58.7	58.3	58.7	58.9	58.9	58.9	58.9	58.9	
Employed	53,467	57,437	56,631	56,057	56,882	57,082	57,158	57,087	57,232	
Employment-population rate	54.4	55.8	55.0	54.9	55.3	55.3	55.6	55.5	55.6	
Unemployed	3,968	2,822	3,470	3,877	3,538	3,431	3,391	3,260	3,448	
Unemployment rate	6.7	4.8	5.8	6.5	5.8	5.7	5.6	5.4	5.6	
<b>Women, 20 years and over</b>										
Civilian noninstitutional population	85,108	85,873	85,981	85,108	85,828	85,728	85,821	85,873	85,981	
Civilian labor force	56,177	56,871	56,697	56,373	57,021	56,861	56,984	56,723	56,881	
Participation rate	59.1	59.3	59.1	59.3	59.9	59.5	59.5	59.2	59.3	
Employed	52,715	54,404	53,753	53,067	54,044	54,080	54,129	54,037	54,134	
Employment-population rate	53.4	55.7	55.0	53.8	55.5	55.3	55.6	55.4	55.4	
Agriculture	654	824	782	787	751	803	850	827	877	
Nonagricultural industries	52,061	53,580	52,971	52,280	53,197	53,277	53,279	53,158	53,257	
Unemployed	3,462	2,467	2,944	3,306	2,987	2,861	2,855	2,688	2,817	
Unemployment rate	6.2	4.3	5.2	5.9	5.2	5.0	5.0	4.7	4.9	
<b>Both sexes, 16 to 19 years</b>										
Civilian noninstitutional population	14,088	14,274	14,263	14,088	14,288	14,261	14,257	14,274	14,283	
Civilian labor force	8,804	7,159	6,957	7,470	7,351	7,518	7,369	7,530	7,848	
Participation rate	48.4	50.2	48.8	53.1	51.5	52.7	51.8	52.8	55.0	
Employed	5,507	6,062	5,758	6,091	6,063	6,231	6,223	6,252	6,372	
Employment-population rate	39.2	42.3	40.4	43.3	42.8	43.7	43.6	43.8	44.7	
Agriculture	142	171	179	209	271	302	273	240	308	
Nonagricultural industries	5,365	5,891	5,579	5,882	5,812	5,929	5,950	6,012	6,064	
Unemployed	1,297	1,097	1,199	1,379	1,296	1,287	1,106	1,298	1,274	
Unemployment rate	19.1	15.3	17.2	18.5	17.2	17.1	15.8	17.2	16.1	

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

## HOUSEHOLD DATA

## 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 <sup>1</sup>					
	Jan. 1984	Dec. 1994	Jan. 1995	Jan. 1994	Sept. 1994	Oct. 1994	Nov. 1994	Dec. 1994	Jan. 1995	
<b>WHITE</b>										
Civilian noninstitutional population	165,014	166,178	166,381	163,014	165,832	165,964	166,072	166,178	166,281	
Civilian labor force	108,780	111,383	110,848	110,969	111,261	111,335	111,637	111,716	111,876	
Participation rate	66.9	67.0	66.6	67.1	67.2	67.2	67.2	67.2	67.2	
Employed	102,828	106,427	104,718	104,288	105,740	106,010	106,242	106,352	106,368	
Employment-population ratio	62.2	64.0	62.9	63.2	63.8	63.9	64.0	64.0	63.9	
Unemployed	7,122	4,958	6,129	6,401	5,841	5,545	5,305	5,363	5,510	
Unemployment rate	6.5	4.5	5.5	5.8	5.1	5.0	4.8	4.8	4.9	
<b>Men, 20 years and over</b>										
Civilian labor force	57,088	57,720	57,320	57,314	57,478	57,618	57,726	57,826	57,848	
Participation rate	77.0	77.1	77.1	77.4	77.2	77.3	77.4	77.5	77.5	
Employed	53,548	55,334	54,480	54,307	54,826	55,061	55,242	55,384	55,289	
Employment-population ratio	72.2	74.2	73.0	73.3	73.8	73.9	74.1	74.2	74.1	
Unemployed	3,662	2,386	3,080	3,007	2,952	2,594	2,484	2,432	2,559	
Unemployment rate	6.3	4.1	5.3	5.2	4.4	4.4	4.3	4.2	4.4	
<b>Women, 20 years and over</b>										
Civilian labor force	46,928	47,507	47,302	47,027	47,737	47,614	47,631	47,440	47,443	
Participation rate	58.5	59.2	58.9	59.0	59.8	59.4	59.4	59.1	59.0	
Employed	44,408	45,747	45,147	44,958	45,800	45,538	45,589	45,476	45,419	
Employment-population ratio	53.7	57.0	56.2	56.0	56.8	56.8	56.8	56.7	56.6	
Unemployed	2,520	1,760	2,155	2,371	2,177	2,078	2,062	1,965	2,024	
Unemployment rate	5.4	3.7	4.6	5.0	4.6	4.4	4.3	4.1	4.3	
<b>Both sexes, 16 to 19 years</b>										
Civilian labor force	5,783	6,148	6,028	6,328	6,198	6,326	6,290	6,439	6,588	
Participation rate	31.3	34.3	33.1	36.6	34.6	36.0	35.3	36.9	36.1	
Employed	4,782	5,348	5,112	5,305	5,234	5,414	5,431	5,493	5,858	
Employment-population ratio	42.8	47.2	45.1	47.4	46.5	47.9	48.0	48.5	49.9	
Unemployed	1,000	802	914	1,023	912	912	849	946	928	
Unemployment rate	17.4	13.0	15.2	16.2	14.8	14.4	13.5	14.7	14.1	
Men	20.2	15.2	17.2	18.0	16.2	15.2	14.3	16.0	15.0	
Women	14.2	10.8	13.1	14.1	13.3	13.5	12.6	13.2	13.1	
<b>BLACK</b>										
Civilian noninstitutional population	22,723	23,052	23,089	22,723	22,953	22,990	23,023	23,052	23,089	
Civilian labor force	14,197	14,470	14,420	14,423	14,477	14,649	14,576	14,541	14,697	
Participation rate	62.5	62.8	62.5	63.5	63.1	63.7	63.3	63.1	63.7	
Employed	12,274	13,154	12,893	12,544	12,927	13,022	13,054	13,119	13,162	
Employment-population ratio	54.0	57.1	55.8	55.2	56.3	56.6	56.7	56.9	57.1	
Unemployed	1,923	1,316	1,527	1,879	1,550	1,627	1,524	1,422	1,526	
Unemployment rate	13.5	9.1	10.8	13.0	10.7	11.1	10.3	9.8	10.2	
<b>Men, 20 years and over</b>										
Civilian labor force	8,501	8,723	8,680	8,585	8,637	8,706	8,702	8,722	8,796	
Participation rate	71.4	72.7	72.3	72.3	72.1	72.7	72.6	72.7	73.6	
Employed	5,821	6,199	5,999	5,780	5,969	6,069	6,065	6,165	6,172	
Employment-population ratio	61.7	67.0	64.9	63.5	65.1	65.8	65.9	66.7	66.8	
Unemployed	880	524	661	805	648	637	617	557	624	
Unemployment rate	13.5	7.6	10.2	12.2	9.8	9.5	9.2	8.3	9.2	
<b>Women, 20 years and over</b>										
Civilian labor force	6,896	7,001	7,057	6,949	7,001	7,033	7,012	7,002	7,127	
Participation rate	60.4	60.5	60.9	60.9	60.7	60.9	60.7	60.5	61.4	
Employed	6,067	6,443	6,436	6,167	6,368	6,384	6,380	6,420	6,521	
Employment-population ratio	53.4	55.7	55.4	54.0	55.2	55.3	55.3	55.5	56.2	
Unemployed	800	556	620	782	633	649	622	582	606	
Unemployment rate	11.6	8.0	8.8	11.3	9.0	9.2	8.9	8.3	8.5	
<b>Both sexes, 16 to 19 years</b>										
Civilian labor force	800	746	683	669	639	610	664	617	773	
Participation rate	36.4	33.5	30.5	37.8	37.8	40.9	38.8	36.8	34.6	
Employed	556	513	458	597	570	569	579	534	496	
Employment-population ratio	25.3	23.0	20.5	27.2	25.7	25.6	26.0	23.8	22.3	
Unemployed	243	234	226	292	269	341	285	283	275	
Unemployment rate	30.4	31.3	33.0	32.8	32.1	37.5	33.0	34.8	35.5	
Men	38.8	31.0	32.5	39.3	30.8	35.9	32.0	34.3	34.0	
Women	23.0	31.7	33.6	26.7	33.4	39.1	34.1	35.0	37.1	

See footnote at end of table.

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

Employment status, race, sex, age, and Hispanic origin	Not seasonally adjusted			Seasonally adjusted <sup>1</sup>					
	Jan. 1994	Dec. 1994	Jan. 1995	Jan. 1994	Sept. 1994	Oct. 1994	Nov. 1994	Dec. 1994	Jan. 1995
<b>HISPANIC ORIGIN</b>									
Civilian noninstitutional population	17,849	18,388	18,388	17,849	18,944	18,291	18,339	18,388	18,388
Civilian labor force	11,989	12,078	11,839	11,702	11,897	12,222	12,324	12,224	12,038
Participation rate	65.0	65.7	65.0	65.9	66.8	66.8	67.2	66.8	65.8
Employed	10,253	11,020	10,986	10,489	10,808	11,074	11,236	11,100	10,811
Unemployed	1,744	1,058	1,853	1,213	1,089	1,148	1,088	1,119	1,224
Unemployment rate	11.6	8.9	11.3	10.5	9.9	9.4	8.8	9.2	10.2

<sup>1</sup> The seasonality figures are not adjusted for seasonal variation; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns. NOTE: Data for the above race and Hispanic-origin groups will not sum to total because data for the "other race" group are not presented and Hispanics are included in both the white and black population groups.

Table A-3. Selected employment indicators

(Numbers in thousands)

Category	Not seasonally adjusted			Seasonally adjusted					
	Jan. 1994	Dec. 1994	Jan. 1995	Jan. 1994	Sept. 1994	Oct. 1994	Nov. 1994	Dec. 1994	Jan. 1995
<b>CHARACTERISTIC</b>									
Total employed, 16 years and over	118,801	124,729	122,987	121,803	123,844	124,141	124,403	124,870	124,638
Married men, spouse present	40,944	41,773	41,185	41,405	41,837	41,511	41,530	41,808	41,601
Married women, spouse present	31,348	32,103	31,578	31,496	31,906	31,794	31,775	31,723	31,708
Women who maintain families	6,788	6,980	7,055	6,984	7,029	7,098	7,141	7,074	7,188
<b>OCCUPATION</b>									
Managerial and professional specialty	33,193	34,778	34,807	33,025	34,842	34,278	34,382	34,878	34,423
Technical, sales, and administrative support	37,037	38,143	37,180	37,179	37,335	37,689	37,787	37,787	37,287
Service occupations	18,778	18,831	18,672	18,828	18,749	17,982	18,883	18,704	17,012
Production occupations, craft, and repair	13,129	13,888	13,388	13,808	13,463	13,487	13,618	13,677	13,784
Operations, laborers, and laborers	17,087	18,089	17,844	17,846	18,023	18,122	18,056	18,030	18,212
Forestry, fishing, and logging	2,884	3,434	3,221	3,581	3,432	3,856	3,727	3,438	3,681
<b>CLASS OF WORKER</b>									
<b>Agriculture:</b>									
Wage and salary workers	1,257	1,620	1,523	1,681	1,719	1,764	1,787	1,738	1,888
Self-employed workers	1,474	1,583	1,330	1,588	1,820	1,632	1,677	1,714	1,883
Unpaid family workers	61	42	31	71	63	43	46	46	35
<b>Nonagricultural industries:</b>									
Wage and salary workers	108,088	112,388	110,848	109,408	111,120	111,688	111,770	111,880	111,287
Governments	18,258	18,484	18,331	18,182	18,308	18,201	18,257	18,340	18,288
Private industries	89,830	93,904	92,517	91,214	92,784	93,488	93,513	93,540	93,000
Private households	843	1,004	959	844	903	835	999	1,023	1,075
Other industries	88,987	92,900	91,558	90,370	91,881	92,653	92,514	92,517	92,017
Self-employed workers	8,774	8,944	8,788	9,050	8,988	8,878	8,815	8,858	9,038
Unpaid family workers	137	111	86	137	134	131	120	121	85
<b>PERSONS AT WORK PART TIME</b>									
<b>All industries:</b>									
Part time for economic reasons	5,236	4,408	4,946	5,058	4,333	4,411	4,411	4,422	4,883
Basic work or business conditions	2,836	2,483	2,795	2,347	2,404	2,384	2,384	2,384	2,504
Could only find part-time work	2,047	1,621	1,704	2,140	1,987	1,791	1,736	1,734	1,777
Part time for noneconomic reasons	17,851	18,672	18,173	17,829	17,809	17,844	17,736	17,578	17,840
<b>Nonagricultural industries:</b>									
Part time for economic reasons	4,883	4,157	4,620	4,748	4,184	4,226	4,246	4,254	4,430
Basic work or business conditions	2,608	2,313	2,638	2,418	2,290	2,257	2,252	2,272	2,388
Could only find part-time work	1,882	1,584	1,677	2,056	1,846	1,756	1,689	1,680	1,737
Part time for noneconomic reasons	17,879	18,311	17,584	17,005	18,882	18,992	17,101	18,817	17,307

NOTE: Persons at work excludes employed persons who were absent from their jobs during the three reference weeks for reasons such as vacation, illness, or voluntary absence. Part time for noneconomic reasons excludes persons who usually work full time but worked only 1 to 34 hours during the reference week for reasons such as holidays, illness, and bad weather.



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Table A-4. Selected unemployment indicators, seasonally adjusted

(Numbers in thousands)

Category	Number of unemployed persons (in thousands)			Unemployment rates <sup>1</sup>					
	Jan. 1994	Dec. 1994	Jan. 1995	Jan. 1994	Sept. 1994	Oct. 1994	Nov. 1994	Dec. 1994	Jan. 1995
<b>CHARACTERISTIC</b>									
Total, 16 years and over .....	8,740	7,155	7,459	6.7	5.8	5.7	5.8	5.4	5.7
Men, 20 years and over .....	4,056	3,189	3,408	6.1	5.1	5.0	4.9	4.7	5.0
Women, 20 years and over .....	3,308	2,888	2,817	5.9	6.2	6.0	5.0	4.7	4.8
Both sexes, 16 to 19 years .....	1,379	1,296	1,274	18.5	17.2	17.1	15.8	17.2	16.7
Married men, spouse present .....	1,808	1,358	1,455	4.2	3.4	3.3	3.2	3.2	3.4
Married women, spouse present .....	1,450	1,213	1,204	4.4	4.0	4.0	3.9	3.7	3.7
Women who maintain families .....	710	584	705	9.3	8.9	8.9	8.7	8.8	8.9
Full-time workers .....	7,163	5,677	5,838	6.9	5.8	5.8	5.8	5.3	5.8
Part-time workers .....	1,572	1,478	1,548	6.2	5.8	5.8	5.4	5.9	6.2
<b>OCCUPATION</b>									
Managerial and professional specialty .....	867	800	802	2.8	2.5	2.5	2.4	2.3	2.5
Technical, sales, and administrative support .....	2,122	1,889	1,808	5.4	4.7	4.5	4.6	4.3	4.6
Precision production, craft, and repair .....	1,012	830	849	7.0	6.0	5.8	5.8	5.8	6.5
Operators, fabricators, and laborers .....	1,258	1,810	1,631	9.9	8.4	8.5	8.3	8.2	8.2
Farming, forestry, and fishing .....	334	323	329	6.9	6.2	6.4	7.5	7.8	7.8
<b>INDUSTRY</b>									
Nonagricultural private wage and salary workers .....	6,840	5,584	5,648	7.0	6.0	5.9	5.9	5.6	5.7
Goods-producing industries .....	2,128	1,734	1,779	7.8	6.8	6.4	6.3	6.2	6.4
Mining .....	41	28	28	6.0	5.1	4.7	4.5	3.9	5.1
Construction .....	808	662	787	12.8	10.7	10.7	10.9	11.7	11.7
Manufacturing .....	1,285	1,024	974	8.2	6.3	5.1	5.1	4.8	4.7
Durable goods .....	671	550	495	5.5	5.3	4.8	4.3	4.6	4.2
Non-durable goods .....	614	474	479	7.1	5.4	5.6	6.0	5.4	5.4
Services-producing industries .....	4,712	3,850	3,870	6.7	5.8	5.7	5.7	5.4	5.4
Wholesale and retail trade .....	308	297	341	5.4	4.5	4.4	4.6	4.2	4.7
Transportation and public utilities .....	2,072	1,729	1,721	6.1	7.0	7.2	7.0	6.7	6.8
Finance, insurance, and real estate .....	278	218	215	3.8	4.3	3.4	3.6	2.9	2.9
Services .....	1,984	1,616	1,565	6.5	6.5	5.3	5.4	5.2	5.2
Government workers .....	710	667	602	3.8	3.2	3.2	2.7	3.1	3.2
Agricultural wage and salary workers .....	247	217	225	12.9	11.1	10.3	10.4	11.1	10.7

<sup>1</sup> Unemployment as a percent of the civilian labor force.

and/or irregular components and consequently cannot be separated with sufficient precision.

<sup>2</sup> Seasonally adjusted unemployment data for service occupations are not available because the seasonal components are small relative to the trend-cycle.

Table A-6. Duration of unemployment

(Numbers in thousands)

Duration	Not seasonally adjusted			Seasonally adjusted					
	Jan. 1994	Dec. 1994	Jan. 1995	Jan. 1994	Sept. 1994	Oct. 1994	Nov. 1994	Dec. 1994	Jan. 1995
<b>NUMBER OF UNEMPLOYED</b>									
Less than 6 weeks .....	3,731	2,249	3,307	3,319	2,675	2,434	2,599	2,587	2,837
6 to 14 weeks .....	2,509	2,156	2,285	2,351	2,294	2,258	2,183	2,149	2,122
15 weeks and over .....	3,251	2,288	2,529	3,048	2,788	2,654	2,681	2,458	2,586
15 to 26 weeks .....	1,463	1,019	1,143	1,308	1,213	1,344	1,187	1,098	1,033
27 weeks and over .....	1,788	1,268	1,387	1,738	1,555	1,580	1,474	1,368	1,353
Average (mean) duration, in weeks .....	18.1	17.7	18.5	18.4	18.8	19.3	18.2	17.8	18.7
Median duration, in weeks .....	8.4	6.7	7.7	8.5	9.5	10.1	9.1	8.7	7.9
<b>PERCENT DISTRIBUTION</b>									
Total unemployed .....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 6 weeks .....	30.3	33.8	40.8	36.1	34.8	31.9	35.0	36.0	39.4
6 to 14 weeks .....	28.4	32.2	28.0	27.0	29.8	29.8	29.1	29.9	28.5
15 weeks and over .....	34.3	34.2	31.2	34.9	35.8	38.8	35.8	34.1	32.0
15 to 26 weeks .....	15.4	15.2	14.1	15.0	15.7	17.8	18.0	15.1	15.9
27 weeks and over .....	18.8	18.8	17.1	19.9	20.1	20.9	18.9	19.0	18.2

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Table A-6. Reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted			Seasonally adjusted					
	Jan. 1994	Dec. 1994	Jan. 1995	Jan. 1994	Sept. 1994	Oct. 1994	Nov. 1994	Dec. 1994	Jan. 1995
<b>NUMBER OF UNEMPLOYED</b>									
Job losers and persons who completed temporary jobs .....	3,215	3,514	4,350	4,385	3,574	3,313	3,495	3,442	3,656
On temporary layoff .....	1,852	1,000	1,539	1,149	324	648	961	930	1,031
Not on temporary layoff .....	3,563	2,494	2,810	3,246	2,750	2,668	2,814	2,512	2,598
Permanent job losers .....	2,817	1,899	1,998	(1) <sup>1</sup>	(1) <sup>1</sup>	(1) <sup>1</sup>	(1) <sup>1</sup>	(1) <sup>1</sup>	(1) <sup>1</sup>
Persons who completed temporary jobs .....	946	785	818	(1) <sup>1</sup>	(1) <sup>1</sup>	(1) <sup>1</sup>	(1) <sup>1</sup>	(1) <sup>1</sup>	(1) <sup>1</sup>
Job leavers .....	804	818	898	817	874	755	710	704	694
Reentrants .....	2,942	2,190	2,580	2,824	2,820	2,829	2,575	2,525	2,489
New entrants .....	532	380	485	844	800	814	578	555	507
<b>PERCENT DISTRIBUTION</b>									
Total unemployed .....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers and persons who completed temporary jobs .....	54.8	62.6	53.7	60.8	48.8	48.8	47.8	47.8	48.2
On temporary layoff .....	17.4	15.7	19.0	13.2	10.7	11.3	12.0	12.8	14.3
Not on temporary layoff .....	37.8	38.8	34.7	37.4	38.9	38.5	35.5	34.8	34.8
Job leavers .....	8.5	8.2	8.5	8.4	11.4	10.1	8.6	9.7	9.3
Reentrants .....	31.0	32.8	31.8	32.5	34.2	35.0	35.0	34.8	33.4
New entrants .....	5.6	5.7	6.0	7.4	7.8	8.2	7.9	7.7	8.0
<b>UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE</b>									
Job losers and persons who completed temporary jobs .....	4.0	2.7	3.3	3.4	2.7	2.7	2.7	2.8	2.8
Job leavers .....	.8	.5	.5	.8	.7	.8	.5	.5	.5
Reentrants .....	2.3	1.7	2.0	2.2	2.0	2.0	2.0	1.9	1.9
New entrants .....	.4	.3	.4	.5	.5	.5	.4	.4	.5

<sup>1</sup> Not available.

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Table A-7. Unemployed persons by sex and age, seasonally adjusted

Age and sex	Number of unemployed persons (in thousands)			Unemployment rates <sup>1</sup>					
	Jan. 1994	Dec. 1994	Jan. 1995	Jan. 1994	Sept. 1994	Oct. 1994	Nov. 1994	Dec. 1994	Jan. 1995
<b>Total, 16 years and over</b> .....	8,740	7,155	7,488	8.7	5.8	5.7	5.6	5.4	5.7
16 to 24 years .....	2,886	2,513	2,464	13.5	12.1	11.8	11.4	11.6	11.4
16 to 19 years .....	1,379	1,290	1,274	18.3	17.2	17.1	15.8	17.2	16.7
16 to 17 years .....	635	573	633	21.3	18.8	17.8	17.2	18.1	20.0
18 to 19 years .....	707	728	629	16.2	16.0	16.8	14.7	16.8	14.2
20 to 24 years .....	1,520	1,215	1,150	10.8	8.4	9.0	9.1	8.6	8.5
25 years and over .....	5,786	4,717	4,971	5.3	4.8	4.5	4.5	4.3	4.5
25 to 54 years .....	5,083	4,130	4,365	5.4	4.8	4.7	4.5	4.4	4.8
55 years and over .....	700	539	606	4.5	3.8	3.9	3.8	3.5	3.8
<b>Men, 16 years and over</b> .....	4,863	3,886	4,080	6.9	5.8	5.7	5.5	5.5	6.7
16 to 24 years .....	1,658	1,411	1,386	14.6	12.6	12.4	11.8	12.2	12.0
16 to 19 years .....	826	727	684	20.7	18.5	18.1	16.5	18.5	17.4
16 to 17 years .....	377	313	338	23.6	19.4	18.2	16.3	18.8	20.8
18 to 19 years .....	412	411	329	17.9	17.5	18.1	16.3	18.2	14.5
20 to 24 years .....	840	684	682	11.4	8.5	9.4	9.5	9.0	9.1
25 years and over .....	3,151	2,551	2,672	5.3	4.5	4.5	4.4	4.3	4.5
25 to 54 years .....	2,770	2,217	2,352	5.5	4.8	4.6	4.4	4.3	4.8
55 years and over .....	404	308	347	4.7	3.9	4.1	4.0	3.8	4.0
<b>Women, 16 years and over</b> .....	3,877	3,259	3,408	6.5	5.8	5.7	5.6	5.4	5.8
16 to 24 years .....	1,243	1,102	1,088	12.2	11.6	11.2	10.9	10.9	10.7
16 to 19 years .....	571	571	581	18.0	15.9	16.0	15.0	15.8	15.8
16 to 17 years .....	278	260	284	18.8	18.2	17.4	17.9	17.4	19.1
18 to 19 years .....	290	317	300	14.2	14.2	15.4	12.8	14.9	13.9
20 to 24 years .....	672	531	508	10.1	9.3	8.6	8.7	8.1	7.8
25 years and over .....	2,835	2,186	2,289	5.3	4.7	4.6	4.6	4.3	4.6
25 to 54 years .....	2,304	1,913	2,014	5.4	5.0	4.8	4.7	4.4	4.8
55 years and over .....	298	233	259	4.2	3.6	3.7	3.8	3.4	3.7

<sup>1</sup> Unemployment as a percent of the civilian labor force

Table A-8. Persons not in the labor force and multiple jobholders by sex, not seasonally adjusted

(Numbers in thousands)

Category	January 1995		
	Total	Men	Women
<b>NOT IN THE LABOR FORCE</b>			
Total not in the labor force .....	67,055	24,152	42,902
Persons who currently want a job .....	5,999	2,407	3,592
Searched for work and was able to work now <sup>1</sup> .....	1,783	821	962
Reason not currently working .....			
Discouragement over job prospects <sup>2</sup> .....	440	248	192
Reasons other than discouragement <sup>3</sup> .....	1,343	573	770
<b>MULTIPLE JOBHOLDERS</b>			
Total multiple jobholders <sup>4</sup> .....	7,156	3,855	3,301
Percent of total employed .....	5.8	5.8	5.8
Primary job full time, secondary job part time .....	4,288	2,618	1,673
Primary and secondary jobs both full time .....	1,533	456	1,077
Primary and secondary jobs both part time .....	233	176	57
Hours vary on primary or secondary job .....	1,074	596	478

<sup>1</sup> Data refer to persons who have searched for work during the prior 12 months and were available to take a job during the reference week.<sup>2</sup> Includes those with no work available, could not find work, lack schooling or training, employer thinks too young or old, and other types of discrimination.<sup>3</sup> Includes those who did not actively look for work in the prior 4 weeks for

such reasons as child-care and transportation problems, as well as a small number for which reason for nonparticipation was not determined.

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

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Table A-9. Employment status of the civilian population for 11 large states

(Numbers in thousands)

State and employment status	Not seasonally adjusted <sup>1</sup>			Seasonally adjusted <sup>2</sup>					
	Jan. 1994	Dec. 1994	Jan. 1995	Jan. 1994	Sept. 1994	Oct. 1994	Nov. 1994	Dec. 1994	Jan. 1995
<b>California</b>									
Civilian noninstitutional population .....	23,418	23,324	23,328	23,418	23,489	23,503	23,514	23,524	23,528
Civilian labor force .....	15,508	15,338	15,274	15,610	15,456	15,368	15,489	15,432	15,371
Employed .....	13,878	14,258	13,950	14,040	14,175	14,308	14,275	14,248	14,110
Unemployed .....	1,631	1,078	1,325	1,570	1,280	1,221	1,214	1,185	1,261
Unemployment rate .....	10.5	7.0	8.7	10.1	8.3	7.8	7.8	7.7	8.2
<b>Florida</b>									
Civilian noninstitutional population .....	10,821	10,873	10,984	10,821	10,829	10,945	10,959	10,973	10,984
Civilian labor force .....	6,718	6,898	6,778	6,802	6,873	6,882	6,948	6,936	6,880
Employed .....	6,194	6,524	6,346	6,307	6,427	6,434	6,480	6,482	6,460
Unemployed .....	524	372	432	496	446	448	468	454	420
Unemployment rate .....	7.8	5.4	6.4	7.3	6.5	6.5	6.7	6.4	5.8
<b>Illinois</b>									
Civilian noninstitutional population .....	8,844	8,883	8,884	8,844	8,870	8,875	8,879	8,883	8,884
Civilian labor force .....	5,942	5,987	5,954	6,003	5,939	6,016	5,991	5,988	6,015
Employed .....	5,516	5,714	5,609	5,607	5,630	5,661	5,684	5,688	5,697
Unemployed .....	426	253	345	396	309	355	307	291	318
Unemployment rate .....	7.2	4.2	5.8	6.6	5.5	5.9	5.1	4.7	5.3
<b>Massachusetts</b>									
Civilian noninstitutional population .....	4,682	4,688	4,688	4,682	4,685	4,687	4,688	4,688	4,688
Civilian labor force .....	3,147	3,194	3,187	3,183	3,195	3,201	3,181	3,194	3,221
Employed .....	2,907	3,026	2,977	2,959	3,019	2,998	3,005	3,014	3,028
Unemployed .....	240	168	211	224	176	204	175	180	194
Unemployment rate .....	7.6	5.2	6.6	7.0	5.5	6.4	5.5	5.6	6.0
<b>Michigan</b>									
Civilian noninstitutional population .....	7,129	7,152	7,153	7,129	7,144	7,147	7,150	7,152	7,153
Civilian labor force .....	4,752	4,700	4,695	4,778	4,772	4,779	4,742	4,720	4,721
Employed .....	4,365	4,515	4,401	4,426	4,513	4,535	4,517	4,504	4,463
Unemployed .....	387	184	294	352	259	244	225	216	259
Unemployment rate .....	8.1	4.1	6.3	7.4	5.4	5.1	4.7	4.6	5.5
<b>New Jersey</b>									
Civilian noninstitutional population .....	6,048	6,070	6,070	6,048	6,062	6,065	6,068	6,070	6,070
Civilian labor force .....	3,983	4,017	3,992	4,002	4,042	4,040	4,009	3,999	4,009
Employed .....	3,694	3,785	3,694	3,723	3,774	3,769	3,748	3,750	3,720
Unemployed .....	289	232	298	279	268	271	260	249	289
Unemployment rate .....	7.3	5.8	7.5	7.0	6.6	6.7	6.5	6.2	7.2
<b>New York</b>									
Civilian noninstitutional population .....	14,001	13,985	13,981	14,001	13,988	13,987	13,987	13,985	13,981
Civilian labor force .....	8,544	8,511	8,398	8,590	8,551	8,559	8,541	8,565	8,438
Employed .....	7,845	8,059	7,832	7,952	8,012	8,008	8,005	8,080	7,934
Unemployed .....	700	452	564	638	538	552	536	485	504
Unemployment rate .....	8.2	5.3	6.7	7.4	6.3	6.4	6.3	5.7	6.0

See footnotes at end of table.

## ESTABLISHMENT DATA

## ESTABLISHMENT DATA

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

(Percent)

Time span	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Private nonfarm payrolls, 356 industries <sup>1</sup>												
Over 1-month span:												
1991 .....	39.6	39.6	38.5	38.2	48.5	45.4	48.3	52.0	48.9	46.8	46.5	46.1
1992 .....	42.1	46.1	48.3	57.7	53.1	50.4	52.8	46.5	53.4	56.9	52.5	57.3
1993 .....	57.9	61.7	49.0	56.0	57.0	51.1	58.8	50.0	56.7	57.4	61.0	57.4
1994 .....	58.6	58.3	62.9	62.5	56.3	63.2	59.3	59.8	56.9	59.8	64.8	59.4
1995 .....	P60.5											
Over 3-month span:												
1991 .....	34.3	32.0	31.8	38.2	39.3	44.2	49.4	50.7	50.8	44.9	43.7	40.9
1992 .....	39.7	42.3	51.0	56.2	57.8	54.1	50.4	49.9	51.7	56.2	58.6	58.8
1993 .....	64.0	61.4	59.7	55.8	54.9	57.7	54.8	55.9	55.8	62.4	61.5	60.8
1994 .....	62.1	64.5	65.2	65.0	65.4	64.6	66.7	64.0	65.4	65.3	P68.8	P69.0
1995 .....												
Over 6-month span:												
1991 .....	30.2	32.4	31.2	33.7	39.2	44.7	46.5	45.6	47.8	44.5	41.4	36.9
1992 .....	43.5	46.3	47.2	52.0	54.2	56.6	52.8	53.1	55.8	56.3	64.2	62.2
1993 .....	61.4	60.8	59.0	59.8	54.4	54.5	57.9	56.8	59.7	60.8	62.8	63.6
1994 .....	67.0	65.9	68.8	66.0	67.8	66.3	68.1	70.1	P67.7	P69.5		
1995 .....												
Over 12-month span:												
1991 .....	31.0	31.0	31.7	31.9	31.7	33.8	35.8	37.5	40.0	45.2	45.6	45.4
1992 .....	47.2	42.3	42.7	44.1	48.0	52.5	53.8	60.7	59.7	60.4	61.5	60.7
1993 .....	60.0	61.1	60.7	62.2	63.2	62.1	62.4	60.8	63.5	62.8	63.1	63.5
1994 .....	64.2	65.7	66.0	66.4	66.1	P68.4	P69.8					
1995 .....												
Manufacturing payrolls, 139 industries <sup>1</sup>												
Over 1-month span:												
1991 .....	32.7	35.6	31.3	37.4	45.7	43.5	46.4	49.3	42.8	47.8	41.4	39.6
1992 .....	38.1	40.6	45.0	57.9	47.8	50.0	53.2	41.7	49.3	47.8	52.5	51.8
1993 .....	52.5	57.6	47.8	41.7	46.0	40.3	49.3	42.8	46.8	50.0	55.4	51.1
1994 .....	54.3	53.6	51.1	58.1	50.0	58.6	52.9	56.8	48.9	60.8	60.1	P60.8
1995 .....	P56.5											
Over 3-month span:												
1991 .....	24.5	21.9	20.5	32.7	38.3	39.6	47.1	46.0	48.2	39.9	36.7	33.5
1992 .....	30.9	36.3	45.3	50.7	55.4	53.6	47.1	47.1	42.4	50.0	51.1	55.0
1993 .....	60.1	58.3	51.4	40.6	37.1	43.5	40.3	41.0	43.2	52.9	54.7	56.1
1994 .....	56.1	57.6	56.5	53.2	57.2	55.8	61.5	55.0	60.4	60.1	P67.3	P64.7
1995 .....												
Over 6-month span:												
1991 .....	15.8	20.9	21.2	26.3	34.9	39.2	42.1	40.3	40.3	37.1	32.4	32.7
1992 .....	34.2	37.1	41.0	48.6	52.2	54.7	46.4	49.3	50.4	48.9	57.9	56.8
1993 .....	54.0	51.8	48.6	47.1	37.1	34.2	39.6	45.7	47.8	50.4	54.3	55.8
1994 .....	58.3	56.1	59.4	54.3	58.3	56.8	60.1	62.6	P61.2	P64.0		
1995 .....												
Over 12-month span:												
1991 .....	16.5	16.2	17.3	18.0	20.9	24.1	26.3	30.6	32.7	38.1	38.8	37.4
1992 .....	42.4	36.7	36.3	36.0	39.6	45.7	50.0	55.8	57.9	55.4	52.9	52.9
1993 .....	50.0	52.5	48.6	49.3	50.7	48.9	50.0	48.9	50.0	50.7	51.4	51.4
1994 .....	50.7	54.3	54.0	56.8	59.0	P59.7	P62.2					
1995 .....												

<sup>1</sup> 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.

THE OASP'S OUTLINE FOR THE OVERSIGHT PROCESS  
AND THE CENTRAL OVERSIGHT TEAM ASSIGNMENTS



*Congress of the United States*

*Joint Economic Committee*

Room SD-G01 Dirksen, Washington, D.C. 20510  
(202) 224-5171

Connie Mack • Florida • Chairman

104th Congress

MACK SAVES BLS FROM POLITICAL OVERSIGHT

In response to a letter sent January 13, 1995 by Senator Mack, (R-FL) Chairman of the Joint Economic Committee, Secretary Robert Reich, Department of Labor, has agreed to exempt the Bureau of Labor Statistics (BLS) from participating in the political "Central Oversight Group" recently established at the Department of Labor.

"I am glad that Secretary Reich agrees with me about the importance of keeping the BLS free from political interference. The data produced by the BLS and presented each month to the Joint Economic Committee (JEC) are too important to be eclipsed by political influences or directed by the political offices and appointees within the Central Oversight Group. The mere impression of political influence undermines the credibility of the BLS, and that's the danger."

Chairman Mack's concern over this issue began when a memo being circulated within the Department of Labor (DOL) became public knowledge. In this memo, Secretary Reich announced the formation of a "Central Oversight Group" and "rapid response team" established for the purpose of coordinating agency responses to inquiries from a Republican controlled Congress.

Senator Mack immediately wrote to Secretary Reich requesting that the BLS be exempt from attending the Central Oversight Group meetings. "...you should publicly withdraw the memo as it applies to BLS, as well as all other agencies within the DOL whose politicizing would be inappropriate. The JEC will not accept the establishment of a team within the BLS to coordinate its activities and testimony with the political Oversight Group."

Secretary Reich acquiesced. "...given your concern, Mr. Chairman ... the Commissioner and I have agreed that they [BLS] will not participate in this process in any way in the future."

## Congress of the United States

JOINT ECONOMIC COMMITTEE

Washington, DC 20510-0002

January 13, 1995

The Honorable Robert Reich  
 United States Department of Labor  
 200 Constitution Avenue, NW  
 Washington, D.C. 20210

Dear Mr. Secretary,

I am concerned about a recent Washington Post article describing a memo directing the establishment of a Central Oversight Group to coordinate the Department of Labor's response to Capitol Hill, thereby, further politicizing the agencies of the Department of Labor (DOL). I am deeply troubled by the impact such action would have on the Bureau of Labor Statistics (BLS). The employment and unemployment data produced by the BLS and presented each month to the Joint Economic Committee (JEC), are too important to be eclipsed by political influences or directed by political offices and appointees identified in this DOL memo.

Consequently, at the January 6, 1995, employment hearing, I informed Commissioner Abraham that, in my judgment, any participation by the BLS in this partisan process as described in the DOL memo would be highly inappropriate. At that time, I stated that you should publicly withdraw the memo as it applies to BLS, as well as all other agencies within DOL whose politicizing would be inappropriate. The JEC will not accept the establishment of a team within BLS to coordinate its activities and testimony with the political "Central Oversight Group" and rapid response team. I believe this process, if carried out, would compromise the statistical and analytical integrity of the BLS.

Please provide to me a copy of this memo as described in the January 5, 1995, Washington Post article along with any other material or information providing political directives to BLS or any of its personnel. I would appreciate your response by Tuesday, January 17, 1995. If your office should have any trouble meeting this request, please contact Christopher Frenze of the JEC majority staff at 224-6703.

Thank you in advance for your prompt attention to this important matter.

Sincerely,

*Connie Mack*  
 Connie Mack

Chairman

Joint Economic Committee

U S DEPARTMENT OF LABOR  
SECRETARY OF LABOR  
WASHINGTON DC

JAN 23 1995

The Honorable Connie Mack  
Chairman, Joint Economic Committee  
The United States Senate  
The Capitol  
Washington, D.C. 20510-6602

Dear Mr. Chairman:

This responds to your letter of January 13, 1995 concerning the establishment of an Oversight Group in the Department of Labor. Your letter suggests that the coordination activities of such a group could "politicize" the agencies within the Labor Department, in general, and the Bureau of Labor Statistics, in particular. I fully appreciate the need to prevent any politicizing of the data or analysis of the BLS and would never permit anything to jeopardize its objectivity. Despite the impression the article in the Washington Post may have conveyed, nothing of the sort was intended or is being undertaken by this new group.

The Oversight Group was established in late December in anticipation of an unusual level of Congressional inquiry into the policies and programs of the Department of Labor. Agencies were invited to designate a senior staff person to participate in regular meetings. Participants include a mix of career and political appointees.

This group has been very helpful in the last few weeks in our efficiently responding to major policy and program information requests from Congress and in preparing for a substantial increase in House and Senate oversight hearings. For example, last year, between the date Congress reconvened and the end of January, I participated in no hearings. This year, in the 14 days since Congress has convened, I have already testified personally on three separate occasions on three very different major topics.

The Commissioner of BLS decided to designate a highly respected career professional to participate as appropriate on this group, her Deputy William Barron. He and the Commissioner are fully aware of my strong views on the need to assure an



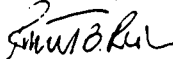
Page 2

objective BLS and will not condone any interference. Confidential information or analysis from BLS was never intended to be discussed at the meetings. BLS participated in this group on the same basis as it does in other Departmental meetings involving administrative matters, budget and management issues.

However, given your concern, Mr. Chairman, and my desire to avoid any possible misunderstanding about the BLS' objectivity, the Commissioner and I have agreed that they will not participate in this process in any way in the future.

Please find enclosed the documents which were referred to in the Washington Post article. There is no actual memorandum to anyone on this subject. There is also no memorandum providing "political direction" to the BLS or any of its employees. I hope this letter allays your concerns and assures you that this Department means to work with Congress as efficiently and as closely as we can in the coming months.

Sincerely,



Robert B. Reich

Enclosures

## OASPS OUTLINE FOR THE OVERSIGHT PROCESS

### PROCESS

In the coming months, the Department will likely face a number of Congressional challenges to the programs, policies, and regulations under DOL jurisdiction and particularly those we have been developed and supported over the last two years. We will also be under scrutiny for our stewardship of the DOL -- management and administration in all its forms. So that we may meet these challenges effectively yet efficiently, we propose to adopt an agency-based and led, team process that is supported by expertise found in the Office of Policy and Budget, Office of Congressional and Intergovernmental Affairs, the Office of Public Affairs, the Office of the Assistant Secretary for Administration and Management and the Solicitor's Office. Figure 1 illustrates how this process would work.

### THE OVERSIGHT COORDINATOR

In this model, the program agency has the primary responsibility for identifying its vulnerabilities, developing a strategy with regard to these, and executing an action plan based on these strategies. Agency Assistant Secretaries, in coordination with the Assistant Secretary for Policy and Budget, would identify a high-level person to serve as the Oversight Coordinator and head of the agency's Oversight Team. Some variation may be necessary. For example, in the case of ESA, we may need two or three team given the nature of that agency's organization. Also, the size of the agency team would depend on the complexity of the agency's issues, their vulnerability, and the degree of work the agency expects it will have as its programs are scrutinized carefully over the next year or two.

### OASPB, OCIA, OPA, OASAM and SOL

Staff from OASPB, OCIA, OPA, OASAM and SOL would be assigned to work with the agency team and the agency's Assistant Secretary to help develop strategies, recommend courses of action and work issues through the various policy, legislative, and public affairs environments. The level of support and direction these offices give would vary in intensity according to the issue or event at hand. OASPB, OCIA, OPA, OASAM, and SOL would bring information and expertise and be in a position to immediately access more help if necessary.

### CENTRAL OVERSIGHT GROUP

A Central Oversight Group made up of the Assistant Secretaries for OASPB, OCIA, OPA, OASAM and the Solicitor and including each Agency Defensive Coordinator would meet weekly to monitor progress, identify and solve problems, provide direction where necessary, and discuss cross-cutting issues. Agency Assistant Secretaries would have an open invitation to join these weekly meetings.

### RAPID RESPONSE TEAM

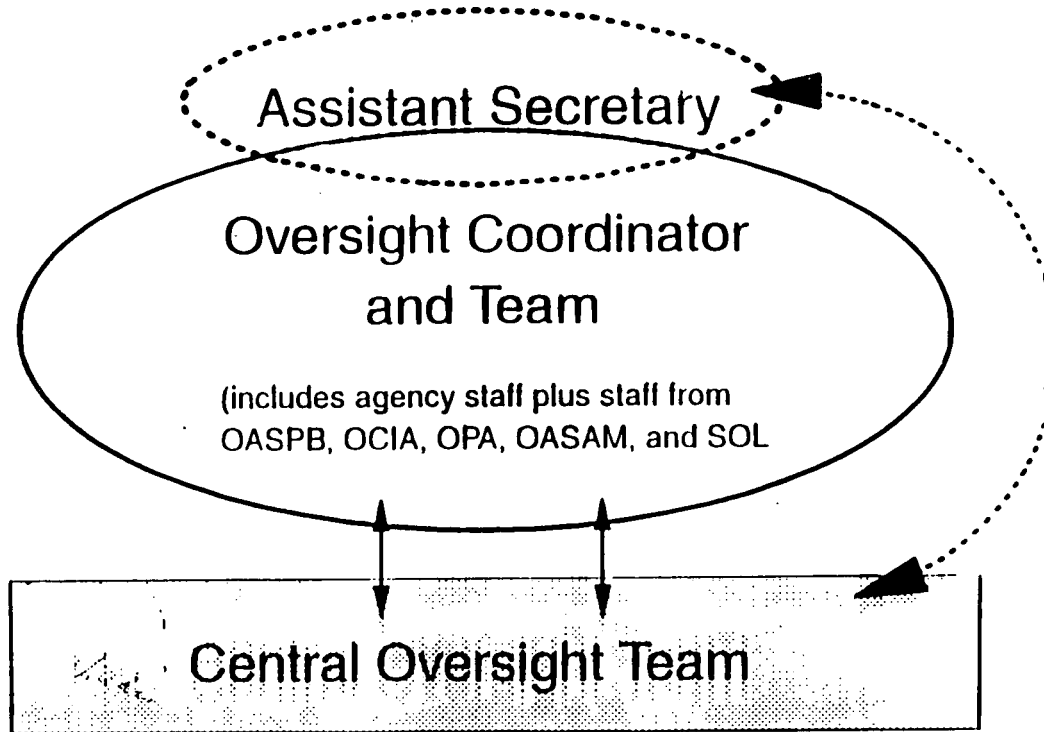
When necessary, the Central Oversight Group would convene a Rapid Response Team to put particularly important issues or events on a very high and fast track.

**AN EXAMPLE**

Congressional hearings are one example of the kind of issue or event that would benefit from the process described above and illustrated in the diagram. Agency Oversight Coordinators and their Teams would have the primary responsibility for preparing for hearings, but would have the OASPB, OCIA, OPA, OASAM and the Solicitor's Office available on a continuing basis from day one to provide advice and technical assistance regarding media relations, congressional strategy and information, and similar services as team members.

Central Oversight Team  
Assignments

1. Develop your agency's oversight team. These teams should ultimately include representatives from OASPB, OCLA, OPA, OASAM and SOL. The Central Oversight group will begin making these assignments as your own teams develop.
2. Draft vulnerabilities and strengths
  - a) clarify your mission
  - b) Set priorities in your agencies combined with specific data on the affected populations, i.e. costs, expected benefits, public expenditures, etc. Be prepared to explain and justify.
  - c) Identify strengths and vulnerabilities in your jurisdiction. Action plan must be formulated to address vulnerabilities and to emphasize strengths.
  - d) Identify likely targets in your areas. This list should include controversial issues that the new Congress will discuss. Be prepared to explain our position and rationale.
3. a. Identify your agency's most urgent vulnerability or issue and develop a plan for managing it.
4. Develop a broader offense/defense strategy
  - a) Identify offense components. Develop the economic and technical arguments for these components. How do you get support for these components on the nightly news or in the print media. How do you convince the media that your points are correct.
  - b) Establish airtight rational for vulnerable programs and policies. How can you put the high moral ground and human face on your side during the hearing.
  - c) Identify needs that central staff ( OCLA, OPA, etc.) can render to make your job easier.
  - d) Develop allies to assist you for the oversight hearings. Remember allies don't have to be permanent. Their may vary from issue to issue. Recruit them from the staff ranks on the Hill as well as from the diverse constituencies we work with.



**INSIDE  
LABOR**



# With Much at Stake, Posture Is Defensive

## *Oversight Group Created to Coordinate Team Response for Anticipated Hearings*

By Frank Swoboda  
Washington Post Staff Writer

Fighting Republicans is hard work. It takes time, energy and, in the case of the Labor Department, a new layer of bureaucracy.

With Congress now in the hands of the Republicans, the Labor Department is expected to become a major legislative target of the new majority. And the department's political operatives are mobilizing for the battles ahead.

To deal with this new hazard to the department's political safety and health, Labor Secretary Robert B. Reich has created a "Central Oversight Group" to coordinate the department's response to an expected outbreak of congressional hearings on a wide range of departmental programs.

The Labor Department is one of the biggest regulatory agencies in the federal government, developing and enforcing rules on topics including health and safety, employment discrimination and pension payments, and overseeing the billions of dollars spent annually on job training programs. Almost everything it does has been targeted in one way or another by the incoming Republicans.

Reich's office circulated a memo just before Christmas warning of the dangers ahead and outlining a new layer of departmental management to deal with the situation.

"In the coming months, the Department of Labor will likely face a number of Congressional challenges to the programs, policies and regulations under DOL jurisdiction and particularly those we have developed and supported over the last two years," the memo said. "We will also be under

scrutiny for our stewardship of the DOL—management and administration in all forms."

A ranking Labor Department official defended the oversight apparatus yesterday as "a reasonable thing to do." He said the department's response to the expected congressional attack

*"Congress has every right to ask why the people's money should be spent [on these programs]. We need to make it very clear why we're doing it. We have a responsibility to the department to make the best possible case that we can."*

— Tim Barnacle,  
Labor Department official

was appropriate to defend programs the administration cherishes. "This is our moment," he said, "to convince the public of the merit of the programs under attack."

The memo called on each agency to assess its "strengths and vul-

nerabilities" and then develop an "action plan" to deal with the vulnerabilities. Agency heads were instructed to "identify likely targets in your areas. This list should include controversial issues that the new Congress will discuss."

Regarding testimony to congressional oversight committees, agency heads are told to "develop an airtight rationale for vulnerable programs and policies" and to "put the high moral ground and human face on your side."

The agencies were urged to develop plans to "get support . . . on the nightly news or in the print media" and to go to Capitol Hill and "develop allies to assist you for the oversight hearings" anywhere they could find them, presumably even among Republicans. "Remember allies don't have to be permanent," the memo said.

To help carry out this mandate "effectively and efficiently," the department is setting up what the memo described as an "agency based and led, team process that is supported by expertise found in the Office of Policy and Budget, Office of Congressional and Intergovernmental Affairs, the Office of Public Affairs, and the Office of the Assistant Secretary for Administration and Management and the Solicitor's Office."

In addition to the new central group, each sub-agency within the department would be required to set up its own oversight team, complete with an oversight coordinator who would work with the department-wide Central Oversight Group and, when necessary, with the rapid response team, if anyone saw the whites of Republican eyes.

And of course, all the groups would meet regularly. The Labor Department already has a reputation for holding more meetings than National Football League referees, and the oversight operation will add a minimum of one weekly meeting of its own.

The man in charge of the overall effort is Tim Barnacle, the new assistant secretary for policy and budget. Barnacle yesterday defended the new oversight operation as the best and most efficient way for the department to defend the programs it operates.

"Congress has every right to ask why the people's money should be spent [on these programs]. We need to make it very clear why we're doing it. We have a responsibility to the department to make the best possible case that we can," Barnacle said.



## News

### NAFTA

#### NAFTA-TAA RULE REQUIRES STATE AGENCIES TO NOTIFY WORKERS OF PROGRAM'S EXISTENCE

A proposed rule to formally create a new program to assist workers adversely affected by the North American Free Trade Agreement would require that state employment security agencies inform workers applying for unemployment insurance benefits of the program's existence.

It is the responsibility of state agencies to ensure that their staffs are familiar with the NAFTA-Transitional Adjustment Assistance program and the procedures for filing petitions under the program, according to the Labor Department proposal, scheduled for publication in the Jan. 17 *Federal Register*.

State efforts to implement the program, which went into effect Jan. 1, 1994, have been criticized for failure to provide sufficient information to workers potentially eligible for NAFTA-TAA benefits, which include extended income support provided participants are enrolled in training early on.

The new rule sets forth distinctions between NAFTA-TAA and the regular trade adjustment assistance program created under the 1974 Trade Act, including separate certification criteria. It also stipulates that when certification is denied under the NAFTA-TAA program, the workers' petition will be reviewed under the TAA program.

NAFTA-TAA differs from TAA in that it applies to workers adversely affected by trade with Mexico or Canada. Other differences, according to the rule, include NAFTA-TAA's prohibition on waivers from the training requirement, the involvement of state governors in the petition process, and the deadlines governing processing of the petitions by state governors and the Labor Department.

The proposed rule also set forth the Labor Department's policy with respect to workers secondarily affected by NAFTA. Workers of a "firm that manufactures and supplies component parts to a separate firm, in which the workers of such firm have been certified under the NAFTA-TAA program, may only be covered by a certification of eligibility if the workers producing the component parts independently meet the eligibility criteria for certification," according to the proposed rule.

A recent General Accounting Office review of the program found that these secondary workers

may have difficulty taking advantage of the program. The report cited state officials who blamed the situation on limited guidance with respect to a clear definition of such workers and confusion as to who has the responsibility for identifying potentially eligible workers (240 DLR A-11, 12/16/94).

While Labor Department officials confirmed the need to clarify the definition of secondary workers and improve the process for identifying such workers, they also maintained that few workers have been indirectly affected by the trade pact because most firms certified under NAFTA-TAA are small businesses that have few, if any, suppliers.

As of the end of fiscal year 1994, the Labor Department had certified 10,345 workers as eligible for assistance under the NAFTA-TAA program. At that time, 103 of the 250 petitions submitted were certified as valid, mostly due to shifts in production to Mexico (200 DLR A-6, 10/19/94).

(The proposed rule appears in Section E.)

### BLS

#### JEC HEAD SAYS LABOR RESPONSE GROUP COULD COMPROMISE INTEGRITY OF BLS

The new head of the Joint Economic Committee Jan. 13 wrote Labor Secretary Robert B. Reich that the JEC will not tolerate politicizing the Bureau of Labor Statistics by the agency's inclusion in a political response group.

Sen. Connie Mack (R-Fla) sent a letter to Reich complaining that a memo sent to all Labor Department agencies could compromise the integrity of the BLS. Mack asked Reich to withdraw the memo with respect to BLS. The senator asked Reich to respond by Jan. 17.

At a Jan. 6 JEC hearing, Mack said he became concerned that the Labor Department was politicizing BLS when he read about the memo in the Jan. 5 edition of *The Washington Post*. The article said Reich has created a "Central Oversight Group" to coordinate the Labor Department's response to "an expected outbreak of congressional hearings on a wide range of departmental programs."

In the letter, Mack said, "The JEC will not accept the establishment of a team within BLS to coordinate its activities and testimony with the political 'Central Oversight Group' and rapid re-

spouse team. I believe this process, if carried out, would compromise the statistical and analytical integrity of the BLS."

#### Mack Questions Abraham

Mack asked BLS Commissioner Katharine G. Abraham at the Jan. 6 hearing to assure him that BLS would not be subject to political pressure.

Abraham agreed BLS must maintain its integrity.

"I think it's important that we not get involved in a political controversy," Abraham said at the hearing. "If anyone is in a position to influence the numbers (that are released by BLS), there would be a question as to the usefulness of the data." Abraham said there has been no such pressure since she assumed the chairmanship more than a year ago.

BLS Deputy Commissioner William Barron, who is the agency's representative to the Labor Department group, said Jan. 13 that "BLS' activities on the committee are strictly informational, and they are similar to hearing preparation activities that BLS has participated in the past."

Barron, who served as acting BLS commissioner from January 1992 to October 1993, said that discussions are under way between BLS and the Labor Department about how to respond to Mack's concerns.

#### Employment

##### NEW YORK JOB GROWTH SLACKENED OVER '94, CONTINUING LAG FROM U.S. RATE, BLS FINDS

NEW YORK—Job growth in the New York-Northeastern New Jersey region began to slacken in the second half of 1994, stalling an upward trend that still lagged well behind the national recovery, the regional Bureau of Labor Statistics commissioner reported Jan. 12 in an annual review of labor market indicators.

"Once again, the outlook is shifting to cloudy, with much more uncertainty than there was a year ago," Regional Commissioner Samuel M. Ehrenhalt said. "No geographic component of the region is showing job growth momentum, but the data are too recent to say a downturn is in prospect."

Employment in the region grew by 1 percent in 1994, based on the first 11 months of the year, up from 0.8 percent the year before, BLS reported. National job growth was 3.1 percent in 1994 and 2.1 percent in 1993. When employment fell 0.9 percent nationally in 1991, it fell 3.9 percent in the region. When employment showed a 0.9 percent

rise nationally in 1992, it only continued its decline in the region, at a 1.6 percent clip.

Contributing to the low growth in 1994 was a second-half plateau, Ehrenhalt said. While regional employment grew by 7,500 jobs in the January-July period, the growth dropped off to 1,600 jobs in the July-November period, he noted. New York City, the region's economic engine, gained 25,300 jobs in the first half of the year but lost 16,100 in the second, BLS found.

Growth ended in construction and finance, Ehrenhalt said, and an acceleration in local government cutbacks also reduced the total. New York City, where government employment dropped 4 percent in 1994, accounted for 77 percent of the region's job losses in government, he reported. The public sector decrease was the largest since the city's 1976 fiscal crisis, he added.

The second-half plateau in the region's job growth follows a period of weak recovery from a precipitous decline between 1989 and 1992, the BLS data showed. It marks a continued lag behind national job growth, mostly leaving New York out of the general recovery experienced elsewhere.

"We're two years into the recovery in this region, but we've made up less than one-fifth of the job losses of the early '90s," Ehrenhalt commented.

Manufacturing job losses slowed in the region in 1994, but the region has still lost 25 percent of its manufacturing jobs since 1988, he reported. "The manufacturing upturn that began in September 1993 nationally has completely bypassed the region," he said.

The region's manufacturing employment index has fallen 2.5 points from September 1993 through November 1994, while the U.S. index was rising by 1.5 points.

Unemployment in the region was 7.1 percent in 1994, down from 7.8 percent the year before but remaining well above the 6.3 percent national rate. After registering lower than the national rate as recently as 1989, the region's unemployment has hovered about a percentage point above the nation's in each of the last three years, Ehrenhalt said.

#### Re-Employment Prospects Dimmer

Prospects for re-employment also were worse in the region than in the nation, he reported. In a comparison of workers displaced between January 1991 and December 1993, BLS found that 68 percent nationally had been re-employed by February 1994, versus only 58 percent regionally.

With 506,000 workers displaced over that period, the region accounted for more than 10 percent of the national total. BLS defined displaced workers



## ACTIVITIES OF THE CENTRAL OVERSIGHT COMMITTEE

MAR 3 1995

Honorable Jim Saxton  
House of Representatives  
Washington, D.C. 20515

Dear Congressman Saxton:

I am writing in response to the questions you raised at the February 3 Joint Economic Committee hearing, as reiterated in your letter of February 22. Enclosed are the materials that the Bureau of Labor Statistics (BLS) received in connection with the activities of the Central Oversight Committee, and the responses BLS prepared for the group. The BLS materials, which were prepared under the direction of Deputy Commissioner William Barron, provide background information needed from BLS to prepare Departmental officials for upcoming Congressional hearings and respond to a Congressional inquiry concerning funding for grants made by the Department of Labor. Since this initial set of activities, BLS has not received further requests from the Committee.

We understand that the Oversight Committee activities in the Department concluded with a final meeting on February 21.

Sincerely yours,

KATHARINE G. ABRAHAM  
Commissioner

Enclosures

BLS/OCOM            \wgbsax.doc  
WGB/saj

cc: Abraham, Barron, Gen.F., Comm.R.F., Cong. Liaison,  
Chen.F.

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515**

December 30, 1994

The Honorable Robert Reich  
 Secretary  
 U.S. Department of Labor  
 200 Constitution Avenue NW  
 Washington, DC 20310

Dear Mr. Secretary:

As we prepare for the 104th Congress, one of the first issues confronting us will be the development of a rescission package for the current Fiscal Year 1995 budget. As the incoming chairman of the Economic and Educational Opportunities Committee and the Appropriations Subcommittee on the Departments of Labor, Health and Human Services and Education, we plan to conduct a thorough review of all Department of Labor programs. Our review will primarily focus on setting policy and budget priorities for the Fiscal Year 1996 budget and future years. However, it will also include an immediate review of all currently funded federal programs.

We are aware that some programs have already been allocated their funding or may be in the review process for allocations, and that other programs' funding cycles will occur later in the fiscal year. Accordingly, to assist our Committee and Subcommittee in developing an appropriate package of rescission recommendations to the House of Representatives, we ask that the Department of Labor provide us with the following information by COB on Friday, January 6, 1995:

- A listing of all Department of Labor programs and their anticipated dates for funds to be released.
- A program-by-program funding stream description and timetable for all formula grant programs.
- A program-by-program chronology for all discretionary grant programs including dates of Federal Register notices, application deadlines, application peer review status, and all grant notification schedules.
- The Department of Labor's master calendar for making formula and discretionary awards which should be broken down by quarter for Fiscal Year 1995. Our Committee and Subcommittee wish to know whether the Department's master award calendar for Fiscal 1995 has been amended since November 8, 1994 for the purpose of expediting the awarding of funds for any program.

Page Two

- A first quarter summary (October through December 1994) of the Department's salaries and expense account. As part of this submission, the Department should also provide the anticipated funding schedule for this account for the second, third and fourth quarters of Fiscal 1995 as well as the master plan for the use of funds for this account for the entire year. In addition, the Department should submit to us similar summaries and schedules for the Inspector General and the Office of Civil Rights.

We appreciate your immediate attention to this request. Upon receipt of the Department's submission, we may have additional requests for information which will require timely and accurate information from the Department. Although we know this request may be time-consuming, most of this information should already be in hand. Again, please submit this material to us by COB on Friday, January 6, 1995. Should you or your staff have any questions about this request, please call us directly or contact Les Cowan of the Economic and Educational Opportunities Committee at 225-6338 or Mike Myers of Congressman Porter's staff at 225-4833.

Thank you for your prompt attention to this request.

Sincerely,

---

**WILLIAM F. GOODLING**  
Chairman-Elect  
Economic and Educational  
Opportunities Committee

---

**JOHN EDWARD PORTER**  
Chairman-Elect  
Appropriations Subcommittee on  
the Departments of Labor, Health  
and Human Services and Education

**AGENDA FOR OVERSIGHT COORDINATOR MEETING**

**JANUARY 3, 1995  
3:00 P.M.**

- o **Opening Remarks**
  - Update on 3 hearings
  - Role of Oversight Teams
- o **FY 1995 Rescission Status**
  - House hearing plans
- o **Discussion of Oversight Team Assignments for 3 hearings**

**HANDOUTS**

- o **Hearing Calendar**
- o **100 Day Calendar**
- o **List of Republicans on Committees:**
  - House Economic and Educational Opportunities Committee
  - Senate Labor and Human Resources
  - House Labor/HHS Appropriations Subcommittee
- o **Porter/Goodling Letter to Secretary Reich (12/30)**
- o **Republican Budget Proposals re: DOL**
- o **Excerpts from Heritage Foundation report**
- o **Congressional Record from Republican's Third Annual Regulatory Relay**
- o **Examples:**
  - OSHA graphs re: gap between mission & resources
  - OSHA letter to editor responding to "horror stories"
- o **Excerpts from House Appropriations Committee Report from Feb. 1993 DOL Overview Hearing**

**U.S. DEPARTMENT OF LABOR  
(NAME OF AGENCY)  
GRANT PROGRAMS**

Program	Date of Grant Award	Amount of Grant Award (\$000)	Discretionary/Formula

U.S. DEPARTMENT OF LABOR  
(NAME OF AGENCY)  
FORMULA GRANT DESCRIPTION

**Program Name:**

- Step by step narrative description of funding stream from the highest to lowest level.
- Chronology of Grant
  - Issuance of Preliminary Allocation Date:
  - Issuance of Final Allocation Date:
  - Grant Award Date:
  - Redistribution of Funds Date:

**Program Name:**

- Step by step narrative description of funding stream from the highest to lowest level.
- Chronology of Grant
  - Issuance of Preliminary Allocation Date:
  - Issuance of Final Allocation Date:
  - Grant Award Date:
  - Redistribution of Funds Date:

**Program Name:**

- Step by step narrative description of funding stream from the highest to lowest level.
- Chronology of Grant
  - Issuance of Preliminary Allocation Date:
  - Issuance of Final Allocation Date:
  - Grant Award Date:
  - Redistribution of Funds Date:

**Program Name:**

- Step by step narrative description of funding stream from the highest to lowest level.
- Chronology of Grant
  - Issuance of Preliminary Allocation Date:
  - Issuance of Final Allocation Date:
  - Grant Award Date:
  - Redistribution of Funds Date:

**U.S. DEPARTMENT OF LABOR  
(NAME OF AGENCY)  
DISCRETIONARY GRANT DESCRIPTION**

**Name of Program:**

- Federal Register Notice Date:
- Application Deadlines Dates:
- Application Peer Review Status Date:
- Enter Other Relevant Steps
- .
- .
- Award of Grant Date:

**Name of Program:**

- Federal Register Notice Date:
- Application Deadlines Dates:
- Application Peer Review Status Date:
- Enter Other Relevant Steps
- .
- .
- Award of Grant Date:

**Name of Program:**

- Federal Register Notice Date:
- Application Deadlines Dates:
- Application Peer Review Status Date:
- Enter Other Relevant Steps
- .
- .
- Award of Grant Date:

**Name of Program:**

- Federal Register Notice Date:
- Application Deadlines Dates:
- Application Peer Review Status Date:
- Enter Other Relevant Steps
- .
- .
- Award of Grant Date:

**U.S. DEPARTMENT OF LABOR  
BUREAU OF LABOR STATISTICS  
COOPERATIVE AGREEMENT (CA)/GRANT PROGRAMS**

National Statistical Programs	Date of Grant/CA Award	Amount of Grant/CA Award (\$000)	Discretionary/Formula
Labor Market Information Cooperative Statistical Program	Oct. 1, 1994	67,739	Neither
Occupational Safety and Health Statistics Program	Oct. 1, 1994	6,683	Neither
National Longitudinal Surveys	Sept. 30, 1994	4,910	Discretionary

Funding supports the ongoing operation of national statistical programs. The Wagner-Peyser Act authorizes the Secretary of Labor to reimburse the States to provide data for national labor market statistical programs. The Occupational Safety and Health Act of 1970 authorizes grants to States to assist them in developing and administering programs dealing with occupational safety and health statistics. Award amounts are not determined by mandated formulas. The total LMI award amount was \$67.7 million as of January 1995; an additional \$6.9 million will be obligated for additional activities directly related to the ongoing statistical programs. The LMI total includes \$5.2 million, received through a reimbursable agreement with ETA, for the Mass Layoff Statistics program.



Q. Do you think it would be beneficial to combine the statistical functions of the Departments of Commerce and Labor?

From a policy perspective, the Congress and agencies throughout the Federal Government rely on BLS for timely and accurate information. From an operating program perspective, however, the Department of Labor is the major executive branch user of BLS data products. The current organizational arrangements facilitate a level of interaction and understanding which I believe is of mutual benefit to BLS as a data producer and DOL program agencies as data users. I suspect a similar argument could be made concerning the location of both the Census Bureau and the Bureau of Economic Analysis within the Department of Commerce, though I am less intimately acquainted with their situation.

Some have suggested that combining the statistical functions of the Departments of Commerce and Labor would be an avenue to reducing significant program duplication. I do not believe that there is, in fact, any significant program duplication across these agencies. The Census Bureau and the Bureau of Economic Analysis (BEA) are two separate components of the Federal Statistical system which are co-located in the Department of Commerce. While each produces statistical information, their program focus is quite

distinct. The Census Bureau is, of course, responsible for the Decennial Census, as well as various business census activities such as the Census of Manufacturers and the Census of Retail Trade. BEA maintains and produces the National Income and Product Accounts, from which the basic measures of our economy's output are derived. Moreover, the programs of the Commerce Department agencies do not overlap the program focus of the Department of Labor's Bureau of Labor Statistics (BLS). While there are a number of areas where the Commerce agencies and BLS collaborate in both a formal and informal fashion, the BLS program focuses on employment and unemployment, inflation, compensation, productivity, working conditions and economic growth, none of which are areas in which the other agencies have significant responsibility.

I view the government's capacity to provide our citizens with critical economic intelligence in a non-partisan, objective manner as a basic matter of public trust. There are many in both the public and private sectors who rely critically on BLS, Census and BEA data. I understand that the issues of statistical reorganization has been examined on a number occasions over the years, but that a workable, practical way of combining the agencies into a single, well-functioning organization has yet to be set forth. While I would not oppose further study of this issue, my primary criterion for evaluating any proposal for change

from the status quo will be to ask whether that change strengthens the critical functions that the BLS, in particular, performs.

**PROPOSED RESCISSION ELIMINATING GEORGIA AND VIRGINIA AS  
DIRECT-USE STATES IN THE CURRENT POPULATION SURVEY**

**Background:** Historically, BLS has produced employment and unemployment data for the 11 largest states, New York City, and the Los Angeles - Long Beach area directly from the CPS. For other areas (including Georgia and Virginia), BLS produces monthly estimates using regression analysis that combines information from the CPS, Current Employment Survey, and unemployment records. With the 1990 Census, Georgia and Virginia population growth has placed these two states ahead of Massachusetts. Both States have expressed a desire to be treated like the other large States. The Georgia Congressional delegation, in particular, sought the funds to make this possible.

**Recent Congressional Action:** In 1994, Congress added \$750,000 to the BLS appropriation to include Georgia and Virginia with the 11 large states. Another \$750,000 was added in 1995 to provide full funding for these states.

**Proposed Rescission:** The Administration proposes to rescind \$1,100,000 -- the unspent funds -- in 1995, eliminating direct-use data from the CPS for Georgia and Virginia.

## Reinvention One-Pager

(Reinvention/EIQTQM Success Stories)

**Agency:** Bureau of Labor Statistics (BLS)

**Title:** BLS Improves Timeliness of CPI Information

**Problem:**

In a recent customer survey, users of the Bureau of Labor Statistics' Consumer Price Index (CPI) data expressed a strong preference for improving the timeliness of CPI publications.

**Analysis:**

In 1992, the CPI Summary News Release, mailed at no charge to approximately 30,000 users each month, was received by users an average of 21 days after the official release of the CPI. The CPI Detailed Report, with a total distribution of 7,900, arrived 43 days after release. The process for producing and distributing CPI publications needed to be improved.

**Reinvention:**

In response to the customer survey, a team of employees from the various units who work on the process was trained in process improvement and charged with shortening the cycle time of the process. The team:

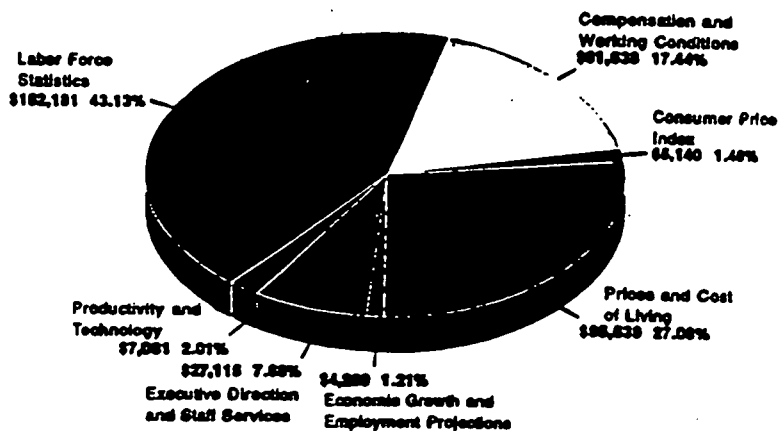
- o Documented the current process, producing a detailed flowchart.
- o Analyzed the current process by measuring the duration and determining the value added of each step.
- o Revised the process, eliminating, re-ordering, and streamlining steps.
- o Tested the revised process to determine whether the changes impacted the quality of publications.
- o Put into place a continuous monitor of the duration of each step.

**Results:**

The number of days between the release of the CPI and the receipt of the CPI Summary News Release by users fell by 9 days (43%). The number of days it took users to receive the CPI Detailed Report fell 16 days (37%). The team is testing additional changes to the process and expect soon to achieve even further improvements in timeliness.



**BUREAU OF LABOR STATISTICS  
1995 APPROPRIATION  
BY BUDGET ACTIVITY.**



Dollars in Thousands, 1995 Appropriation is \$352,863

**Bureau of Labor Statistics*****Major Programs*****ACTIVITY 1 - LABOR FORCE STATISTICS**

- **Current Population Survey**  
Monthly measures of employment and unemployment by population group
- **Current Employment Statistics**  
Monthly measures of employment, hours, and earnings by industry
- **Covered Employment and Wages**  
Develops the business establishment list
- **Local Area Unemployment Statistics**  
Monthly measures of employment and unemployment by State and area
- **Occupational Employment Statistics**  
Annual measures of employment by detailed occupation and industry

**ACTIVITY 2 - PRICES AND COST OF LIVING**

- **Consumer Price Index**  
Measures price change for consumer goods and services
- **Producer Price Index**  
Measures change in prices received by domestic producers
- **Import and Export Price Indexes**  
Measures price change of U.S. exports and imports
- **Consumer Expenditure Survey**  
Measures expenditures by households

**ACTIVITY 3 - COMPENSATION AND WORKING  
CONDITIONS**

- **Employment Cost Index**  
Measures change in employee compensation
- **Employee Benefits Survey**  
Measures the incidence of employee benefits
- **Major Collective Bargaining Statistics**  
Provides statistical and narrative data on labor-management relations

- **Occupational Compensation (Locality Pay) Survey**  
Measures pay for workers in detailed occupations
- **Occupational Safety and Health Statistics**  
Measures incidence of work-related injuries/illnesses
- **Census of Fatal Occupational Injuries**  
Counts fatal work-related injuries

#### **ACTIVITY 4 - PRODUCTIVITY AND TECHNOLOGY**

- **Major Sector Productivity Indexes**  
Measures change in single and multifactor productivity and unit labor costs for six sectors
- **International Comparisons of Labor Statistics**  
Compares U.S. economic developments to those in other countries
- **Industry Productivity and Technology Studies**  
Measures change in productivity by industry

#### **ACTIVITY 5 - EMPLOYMENT PROJECTIONS**

- **Industry Employment Projections**  
Develops 10-15 year projections of the economy and of employment
- **Occupational Outlook**  
Biennial and quarterly publications

#### **ACTIVITY 7 - CONSUMER PRICE INDEX REVISION**

- **CPIR**  
Incorporates a new geographic sample, a new market basket, technological and methodological improvements to make the CPI a more accurate reflection of economic conditions.



## 1995 PROGRAM INCREASES

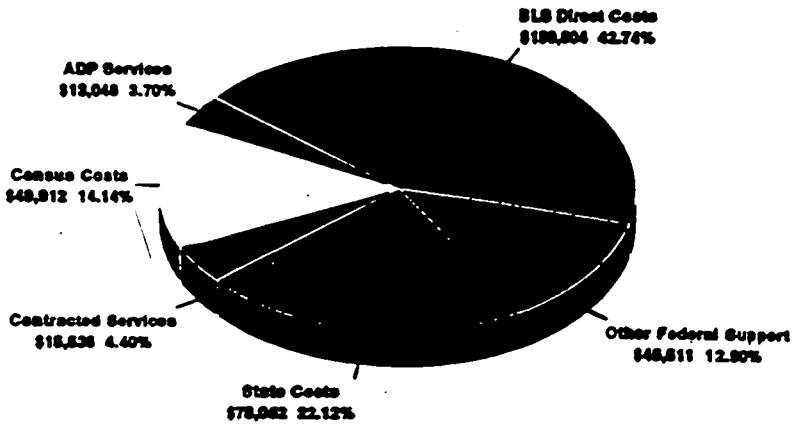
### *Major Programs*

- **ES-202**  
Provides data such as monthly employment, total quarterly wages, taxable wages, employer contributions, and establishments, by 4-digit SIC industry, county, and State for workers covered by State Unemployment Insurance laws and by the Unemployment Compensation for Federal Employees program.  
  
The Conference Action includes \$4.0 million to ensure the continued quality of ES-202 data.
- **National Longitudinal Survey Cohort of Youth**  
Study the labor force activities facing youth, particularly minority youth.  
  
The Conference Action provides \$5.8 million to begin this study.
- **Direct Use States**  
Provides 13 States with unemployment data directly from the survey rather than the model-based estimates available to the other States.  
  
The Conference Action provides \$1.5 million, an increase of \$750 thousand above the 1994 budget, to fully fund two additional States in its expanded survey method known as "Direct Use" States in the Current Population Survey.  
  
The administration plans to propose a rescission in 1995 that would eliminate Georgia and Virginia from the "Direct Use" States.



BUREAU OF LABOR STATISTICS  
**1995 APPROPRIATION**  
BY TYPE OF EXPENDITURE

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Dollars in Thousands, 1995 Appropriation is \$352,863

MEMORANDUM FOR [the coordinator's name]

FROM: TIMOTHY M. BARNICLE  
Assistant Secretary for Policy and Budget

SUBJECT: A Pat on the Back

I just wanted to thank you and your agency oversight team for all the hard work you've done preparing the Secretary for the many Congressional hearings and other events he has participated in since the beginning of the year. As we expected, the level and intensity of Congressional inquiries regarding DOL issues have run very high over the last two months. We can all be proud of the support we have given to the Secretary and of the immediate and thorough responses we provided to the members of Congress who are interested in our programs and policies.

Since the most intense phase for the Department as a whole will end with the FY 96 Appropriations Hearings in the House next week, our work as an Oversight Group will conclude with a final meeting on Tuesday, February 21st.

Again, I greatly appreciate the contributions you and your team have made over the last two months.

-----  
**From:** Orefice\_Lita.ECN.DOL  
**To:** BarronB: Palast\_Geri.SECY.DOL; Richardson\_Mary\_Ann.OCIA.DOL;  
 Letourneau\_Daria\_J.OCIA.DOL; Lewis\_Anne.SECY.DOL;  
 Waddell\_Howard.NOSAL.DOL; Williamson\_Thomas.SECY.DOL;  
 Metzler\_Cynthia.SECY.DOL; Seiden\_Suzanne.ESAL.ESA; gbb; Lebowitz Alan  
 at PWBA\_NO2; Shketoff\_Emily.ECN.DOL; Golding\_Carolyn.SECY.DOL;  
 Sachar\_Sally.OASETA.ETA; MSHAHQARL/MSHAP01/AHRICKO;  
 Lee\_Chuck.NOSAL.DOL; Castaldi\_Mimi.NOSAL.DOL; Smith\_Charles.ECN.DOL;  
 Stepp\_Tali.ECN.DOL; Otero\_JF.ECN.DOL  
**Cc:** Orefice\_Lita.ECN.DOL; Lobie\_Leslie.SECY.DOL;  
 Rodriguez\_Robert.ECN.DOL; Mastroianni\_Teddy.ECN.DOL;  
 McMullen\_Jim.COMP.OASAM; Droitsch\_Roland.ECN.DOL  
**Subject:** Central Oversight Committee  
**Date:** Monday, December 19, 1994 6:23PM

We will be holding the first meeting of the Central Oversight Committee on Wednesday, December 21, at 9:30 am in S-2508 to discuss the role of the Agency Oversight Coordinators and the process we will be using to manage oversight and other issues in the coming months. Tim Barnicle will be chairing this meeting.

We will be distributing an agenda and reading materials on Tuesday, December 20, in the afternoon. Please contact me via e-mail or at 219-6197 if you have any questions. THANKS...Lita

To: Central Oversight Committee  
 From: Tim Barnicle

<u>Agency</u>	<u>Representative</u>
OAW	Charles L. Smith
OFOCP	Gale Black
PBOC	Judy Schup
<del>BLU</del>	Bill Benson
ESA	Gene Karp
PWBA	Alan Lebowitz
WB	Mimi Castaldi
ETA	Carolyn Golding
MSHA	Andrea Hricko
VETS	Charles Lee
OSHA	Emily Sheketoff/Joe Dear
W&H	Susan Seiden

DECEMBER 28, 1994

TO: CENTRAL OVERSIGHT COMMITTEE  
 FROM: TIM BARNICLE  
 Re: Oversight Hearing Date

As you know the Secretary will testify before Congressional Committees on January 11th and 12th. We need the following information by noon Thursday, January 5.

Assignments

- For each member, do search on letters to Secretary in past two years.

Exec Sec (Kerr) can do computer search on Secy mail only

Agency defense teams should do report on all correspondence and highlight important issues or big cases in members districts on which they have been engaged.

- For each member/district, identify major DOL actions which could be raised (both negative for defense against questions and positive for use by Secretary as examples).

Agency defense team should take lead (Note: for new members, do search for districts/names of who they have replaced are provided).

OCIA (David Boundy) will also contact Sec Reps on issues scan.

Deadline

- All materials need to be sent to be completed by Thursday noon (January 5) for incorporation in briefing book by evening.

Agency defense teams should submit to Ted Mastroianni or Lita Orefice

Republicans on Economic and Educational Opportunities

Goodling, PA	<b>CHAIR</b>
Petri, WI	
Roukema, NJ	
Gunderson, WI	
Fawell, Ill	Chair, Employer-Employee Relations
Ballenger, NC	Chair, Worker Protections
Barrett, NE	
Cunningham, CA	Chair, Early Childhood, Youth & Families
Hoekstra, MI	Chair, Oversight & Investigations
McKeon, CA	Chair, Postsecondary Education, Training & Life-long Learning
Castle, DE	Note: former Governor
Talent, MO	
Graham, SC	Freshman: replaced Butler Derrick
Weldon, FL	Freshman: replaced Jim Bacchus
Punderburk, NC	Freshman: replaced Tim Valentina
McIntosh, IN	Freshman: replaced Phil Sharp
Souder, IN	Freshman: replaced Jill Long
Riggs, CA	Freshman: replaced Hamburg
Meyers, KS	
Greenwood, PA	
Johnson, TX	
Knollenberg, MI	
Hutchinson, Ark.	
Norwood, GA	Freshman: replaced Don Johnson

Republicans on Senate Labor and Human Resources

Kassebaum, KS	<b>CHAIR</b>
Jeffords, VT	
Gregg, NH	
Thurmond, SC	
Coats, IN	
Hatch, UT	(may leave Committee)
Santorum, PA	(unofficial - House member in 103rd)
Inhofe, OK	(unofficial - House member in 103rd)
Abraham, MI	(unofficial)

ASSIGNMENTS TO OVERSIGHT TEAM  
(Combines Secretary needs for 3 hearings)

General

- o All materials should be **SHORT, Concise & punchy**--one page fact sheets or Q's and A's.
- o Secy wants the **TOUGH** questions--not easy ones he knows answers to.
- o *W/T* Deadlines for authorizing committee hearings **AND Porter/Goodling request** is noon Thurs., Jan. 5. Deadline for appropriation hearing is COB Monday, Jan. 9. Material to be submitted to Ted M./ASP.

All Agencies

- o *No* Flag correspondence/important issues/big cases in members districts on which they have been engaged (e.g., OSHA: prepare Secy for possible questions by Congressman Istook re: Dayton Tire) *W/T*  
Note: deadline 1/5 for Goodling/Kassebaum committee members Rease Approp. members due 1/5.
- o *Yes* Per ETA, OSHA, MSHA, and SLS (Porter/Goodling letter): Complete matrix (from OB) that lists by program, the calendar for making discretionary and formula awards (by Quarter), with description of each type of grant program. For discretionary grants, include dates for FR notices, application deadlines, application peer review status, and all grant notification schedules. Due 1/5--being coordinated by OB.
- o *No* Write up response for Secy to each of the Republican budget recommendations in your agency area.  
Note: do ones that are regulatory & consolidation related by 1/5. Others by 1/9.
- o *Yes* Write up response for Secy to each of recommendations from Heritage Foundation, Cato, or any other Republican group you're aware of for issues in your agency area. Due 1/5
- o *Yes* Best 3-4 reinvention items for each agency. OASAM do Department-wide overview. Due 1/5.
- o *No* Best success stories for each agency--one-page fact sheets. Focus on what difference agency/statute has made in lives of people, e.g., MSHA recent work. Use graphic displays of

*See Linda Parker's work.*



- o Due 1/9  
Fact sheet on FY 1996 pkg. rescission proposal on direct use  
states.  
Due 1/9

OGE Only

- o Prepare summary of key findings in "what works" report for  
Secy use.  
Due 1/5

## TABLES ON 1993 MINIMUM WAGE DATA

FEB 23 1995

Honorable Fortney Pete Stark  
House of Representatives  
Washington, D.C. 20515

Dear Congressman Stark:

At my testimony before the Joint Economic Committee on February 3, you asked about the characteristics of persons who earn the Federal minimum wage. I would like to provide you with some data that I hope will answer at least some of your questions.

The enclosed package of tables contains 1993 data on the number and characteristics of hourly paid workers who earn the minimum wage or less. Please note that these tables exclude an unknown number of persons paid on a salaried basis whose effective hourly earnings are in the same range. Information is included on a variety of personal and socioeconomic characteristics of hourly paid minimum wage workers, including age, gender, race, full/part time status, level of education, and occupation/industry affiliation. I also am including a table that shows the poverty status of hourly paid minimum wage earners. This table indicates that about 1 out of every 4 hourly paid workers who earned the Federal minimum wage in March 1992 lived in a family whose income was below the poverty level in 1991.

If I can be of further assistance, please let me know.

Sincerely yours,

KATHARINE C. ABRAMSON  
Commissioner

Enclosures

CLS/OEUS/CLFS

Haugen.yj/2-10-95 retyped 2-22-95

cc: Gen.F., Comm RF, Abraham, Plewes, Dregger, Hanel,  
Haugen, RF, DF

*Cong. Liaison*

Table 1. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage, by selected characteristics, 1993 annual averages.

Characteristic	Number of workers (In Thousands)			Percent distribution			Percent of all workers paid hourly rate			
	Total paid hourly rate	At or below \$4.25		Total paid hourly rate	At or below \$4.25		At or below \$4.25			
		Total	At \$4.25		Below \$4.25	Total	At \$4.25	Below \$4.25		
<b>SEX AND AGE</b>										
Total, 16 years and over	63,318	4,188	2,518	1,658	100.0	100.0	100.0	6.8	4.0	2.6
16 to 24 years	14,331	2,241	1,434	877	22.8	33.8	56.8	15.6	10.0	5.6
16 to 19 years	5,021	1,208	828	360	7.9	31.2	36.9	22.8	25.1	19.8
25 years and over	48,884	1,948	1,088	861	77.4	48.8	43.1	61.8	4.0	2.2
Men, 16 years and over	31,889	1,843	1,032	651	60.1	37.9	41.8	33.8	6.0	3.3
16 to 24 years	7,385	966	678	289	11.7	23.1	26.8	17.3	13.1	9.2
16 to 19 years	2,532	599	482	137	4.0	14.3	18.3	8.2	22.7	16.2
25 years and over	24,314	818	355	263	38.4	14.8	14.1	15.8	2.8	1.5
Women, 16 years and over	31,817	2,603	1,486	1,117	49.9	82.2	59.0	47.0	8.2	4.7
16 to 24 years	6,946	1,275	758	519	11.0	30.8	30.0	31.1	18.4	10.8
16 to 19 years	2,489	709	468	244	3.9	18.9	18.8	14.8	28.8	18.7
25 years and over	24,871	1,328	730	558	39.8	31.7	29.9	33.9	8.4	3.0
<b>FAMILY RELATIONSHIP</b>										
Husbands	18,811	298	175	125	26.2	7.1	6.8	7.4	1.8	1.1
Wives	15,858	748	412	336	24.7	17.9	18.4	20.1	4.9	2.6
Women who maintain families	4,277	329	192	137	8.8	7.9	7.6	8.2	7.7	4.5
Male/male married females	1,307	33	22	13	2.1	0.8	0.8	0.8	2.7	1.7
<b>RACE, HISPANIC ORIGIN, AND SEX</b>										
White	62,871	3,487	2,038	1,431	83.7	82.8	80.8	65.8	6.5	3.8
Men	28,856	1,290	850	440	42.1	30.8	33.8	26.4	4.8	3.2
Women	28,318	2,177	1,188	991	41.8	52.0	47.1	59.4	8.3	4.5
Black	6,078	572	392	180	12.8	13.7	15.6	10.8	7.1	4.8
Men	3,918	234	148	86	8.2	5.8	5.0	5.2	6.0	3.8
Women	4,183	338	244	94	8.8	8.1	9.7	5.6	8.1	5.9
Hispanic origin	6,047	544	427	117	9.8	13.0	17.0	7.0	9.0	7.1
Men	3,848	295	227	66	5.8	7.0	9.0	4.1	8.1	6.2
Women	2,408	248	200	48	3.8	5.9	7.9	2.9	10.3	8.3
<b>FULL- AND PART-TIME STATUS AND SEX</b>										
Full-time workers	47,125	1,448	838	613	74.4	34.6	33.2	36.8	3.1	1.8
Men	26,337	800	368	234	41.9	14.3	14.5	14.0	2.3	1.4
Women	20,887	648	489	379	32.5	20.3	18.8	22.7	4.1	2.3
Part-time workers	16,191	2,739	1,684	1,055	25.8	65.4	66.8	63.2	16.9	10.4
Men	8,142	984	587	317	8.1	23.5	26.8	19.0	19.1	13.0
Women	11,050	1,755	1,017	738	17.5	41.9	40.4	44.2	15.9	9.2

NOTE: Data exclude the incorporated self-employed.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics, unpublished tabulations from the Current Population Survey, 1993 annual averages.

Table 2. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage, by census region and division and for the 10 largest States, 1993 annual averages.

Region, division, State	Number of workers (In thousands)				Percent distribution						
	Total paid hourly rate	At or below \$4.25			Total paid hourly rate	At or below \$4.25			Percent of all workers paid hourly rates		
		Total	At \$4.25	Below \$4.25		Total	At \$4.25	Below \$4.25	Total	At \$4.25	Below \$4.25
<b>Total, 10 years and over</b>	<b>63,318</b>	<b>4,188</b>	<b>2,518</b>	<b>1,668</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>6.6</b>	<b>4.0</b>	<b>2.6</b>
<b>Northeast</b>	11,778	537	239	318	18.8	13.3	9.8	19.1	4.7	2.0	2.7
New England	3,469	124	33	91	6.5	3.0	1.3	5.8	3.0	1.0	2.6
Middle Atlantic	8,308	433	208	227	13.1	10.3	8.2	13.3	5.2	2.8	2.7
<b>Midwest</b>	17,230	1,100	599	501	27.2	26.8	23.8	30.8	6.4	3.4	2.9
East North Central	12,181	758	419	347	18.1	18.1	18.9	20.8	6.3	3.4	2.9
West North Central	5,109	342	180	154	8.1	9.2	7.5	9.2	6.7	3.7	3.0
<b>South</b>	21,389	1,748	1,118	630	33.8	41.8	44.6	37.8	8.2	3.2	2.8
South Atlantic	11,181	783	411	352	17.8	18.2	18.0	21.1	6.9	3.7	3.2
East South Central	9,328	348	254	84	6.8	8.3	10.1	6.8	6.8	6.5	2.4
West South Central	8,228	638	453	183	9.9	15.2	18.0	11.0	10.1	7.2	2.8
<b>West</b>	12,819	753	563	220	20.6	18.7	22.4	15.2	6.1	4.4	1.7
Mountain	9,304	278	171	105	5.5	6.8	6.8	6.3	7.9	4.8	3.0
Pacific	3,515	475	392	115	14.8	12.1	15.8	8.9	3.4	4.2	1.2
<b>California</b>	6,878	428	360	79	11.0	10.5	14.3	4.7	6.3	5.2	1.1
<b>New York</b>	3,428	181	91	80	6.4	4.3	3.8	5.4	5.3	2.7	2.6
<b>Texas</b>	4,123	416	298	118	8.5	9.9	11.8	7.1	10.0	7.2	2.9
<b>Pennsylvania</b>	3,246	204	107	97	5.1	4.8	4.2	6.8	6.3	3.3	3.0
<b>Illinois</b>	3,085	189	85	84	4.9	4.0	3.4	4.0	5.5	2.7	2.7
<b>Ohio</b>	3,087	218	117	101	4.9	3.2	4.6	5.1	7.1	3.8	3.3
<b>Florida</b>	3,282	238	111	123	5.2	3.8	4.4	7.3	7.2	3.4	3.8
<b>Michigan</b>	2,825	172	85	77	4.1	4.1	3.8	4.8	6.8	3.8	2.9
<b>New Jersey</b>	1,537	67	8	39	2.8	1.1	0.3	2.3	2.9	0.5	2.4
<b>North Carolina</b>	1,808	117	70	47	2.9	2.8	2.8	2.8	6.5	3.9	2.8

NOTE: The four major regions and nine Census divisions of the United States are as shown.

**Northeast:**

New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.

Middle Atlantic: New Jersey, New York, and Pennsylvania.

**Midwest (formerly North Central):**

East North Central: Illinois, Indiana, Michigan, Ohio, and Wisconsin.

West North Central: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota.

**South:**

South Atlantic: Delaware, District of Columbia, Florida, Georgia, Maryland, North

Carolina, South Carolina, Virginia, and West Virginia.

East South Central: Alabama, Kentucky, Mississippi, and Tennessee.

West South Central: Arkansas, Louisiana, Oklahoma, and Texas.

**West:**

Mountain: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming.

Pacific: Alaska, California, Hawaii, Oregon, and Washington.

Data exclude the incorporated territories.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics, unpublished tabulations from the Current Population Survey, 1993 annual averages.

Table 3. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage, by major occupation group, 1993 annual averages.

Occupation	Number of workers (in thousands)				Percent distribution			Percent of all workers paid hourly rates			
	Total paid hourly rates	At or below \$4.25			Total paid hourly rates	At or below \$4.25			At or below \$4.25		
		Total	At \$4.25	Below \$4.25		Total	At \$4.25	Below \$4.25	Total	At \$4.25	Below \$4.25
<b>Total, all years and over</b>	<b>63,818</b>	<b>4,186</b>	<b>2,518</b>	<b>1,668</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>6.6</b>	<b>4.0</b>	<b>2.6</b>
<b>Managerial and professional occupies</b>	<b>7,258</b>	<b>153</b>	<b>73</b>	<b>80</b>	<b>11.6</b>	<b>3.2</b>	<b>2.9</b>	<b>3.8</b>	<b>1.8</b>	<b>1.0</b>	<b>0.8</b>
Executive, administrative, and managerial	2,818	41	22	19	4.6	1.0	0.9	1.1	1.4	0.9	0.7
Professional specialty	4,267	92	51	41	6.9	2.2	2.0	2.6	2.1	1.2	0.9
<b>Technical, sales, and administrative support</b>	<b>20,464</b>	<b>1,652</b>	<b>778</b>	<b>224</b>	<b>32.3</b>	<b>22.7</b>	<b>28.9</b>	<b>13.4</b>	<b>4.7</b>	<b>3.8</b>	<b>1.1</b>
Technical and related support	2,490	13	7	6	3.9	0.2	0.3	0.4	0.5	0.3	0.2
Sales occupations	6,122	645	518	130	9.7	15.6	20.5	7.8	10.5	8.4	2.1
Administrative support, including clerical	11,852	293	205	88	18.7	7.0	8.1	5.3	2.5	1.7	0.7
<b>Service occupations</b>	<b>11,840</b>	<b>2,229</b>	<b>1,086</b>	<b>1,134</b>	<b>18.9</b>	<b>33.2</b>	<b>43.8</b>	<b>58.9</b>	<b>18.7</b>	<b>9.2</b>	<b>9.5</b>
Private household	378	121	10	121	0.6	3.1	0.4	7.3	34.9	2.7	32.3
Protective services	1,294	39	34	5	2.0	0.9	1.4	0.3	3.0	2.8	0.4
Service, except private household and protective	10,272	2,080	1,052	1,008	16.2	49.2	41.9	60.6	20.1	10.2	9.8
Food service workers	5,048	1,552	870	682	8.0	37.1	28.8	52.8	30.8	13.3	17.5
Health service workers	1,237	82	43	19	2.9	2.0	2.5	1.1	4.5	3.4	1.0
Cleaning & building service workers	2,259	243	181	62	3.8	5.8	7.2	3.7	10.5	7.8	2.7
Personal service workers	1,681	183	138	45	1.7	4.4	5.5	2.7	16.8	12.8	4.2
<b>Precision production, craft and repair</b>	<b>9,620</b>	<b>98</b>	<b>84</b>	<b>44</b>	<b>13.8</b>	<b>2.3</b>	<b>2.1</b>	<b>2.8</b>	<b>1.1</b>	<b>0.8</b>	<b>0.5</b>
Machinists and repairers	2,543	37	19	18	4.6	0.9	0.8	1.1	1.3	0.8	0.6
Construction trades	2,894	28	12	16	4.7	0.7	0.5	1.0	0.9	0.4	0.5
Other precision, production, craft, and repair	2,702	34	23	11	4.3	0.8	0.9	0.7	1.3	0.9	0.4
<b>Operators, fabricators, and laborers</b>	<b>13,883</b>	<b>848</b>	<b>485</b>	<b>163</b>	<b>21.9</b>	<b>15.5</b>	<b>19.3</b>	<b>9.8</b>	<b>4.7</b>	<b>3.5</b>	<b>1.2</b>
Machinists, operators, assemblers, and inspectors	6,880	244	187	57	10.4	5.8	7.4	3.4	3.7	2.8	0.9
Transportation and material moving	3,171	83	55	28	5.0	2.0	2.3	1.7	2.6	1.7	0.9
Handlers, equipment cleaners, helpers, and laborers	4,122	322	244	78	6.5	7.7	9.7	4.7	7.8	5.9	1.9
Farming, forestry, and fishing	1,125	126	84	42	1.8	3.0	3.3	2.5	11.2	7.5	3.7

NOTE: Data exclude the incorporated self-employed.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics, unpublished tabulations from the Current Population Survey, 1993 annual averages.

Table 4. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage, by major industry group, 1993 Annual averages.

Industry	Number of workers (in thousands)			Percent distribution			Percent of all workers paid hourly rates				
	Total paid hourly rate	At or below \$4.25		Total paid hourly rate	At or below \$4.25		At or below \$4.25				
		Total	At \$4.25		Below \$4.25	Total	At \$4.25	Below \$4.25	Total	At \$4.25	Below \$4.25
<b>Total, 98 years and over</b>	<b>63,318</b>	<b>4,186</b>	<b>2,518</b>	<b>1,868</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>6.6</b>	<b>4.0</b>	<b>2.6</b>
<b>Private sector</b>	<b>54,822</b>	<b>3,874</b>	<b>2,294</b>	<b>1,568</b>	<b>88.8</b>	<b>92.8</b>	<b>81.1</b>	<b>84.7</b>	<b>7.1</b>	<b>4.2</b>	<b>2.8</b>
Goods-producing industries	17,508	422	300	122	27.8	101.1	11.9	7.3	2.4	1.7	0.7
Agriculture	803	86	85	31	1.4	2.3	2.8	1.9	10.8	7.3	3.3
Mining	373	2	0	2	0.8	0.0	0.0	0.1	0.5	0.0	0.5
Construction	9,281	48	25	20	8.7	1.1	1.0	1.2	1.3	0.7	0.6
Manufacturing	12,728	270	210	89	20.1	6.7	8.3	4.1	2.2	1.6	0.5
Durable Goods	7,408	85	81	32	11.7	2.2	2.4	1.9	1.3	0.8	0.4
Non-durable goods	5,320	185	149	56	8.4	4.4	5.9	2.2	3.8	2.8	0.7
Service-producing industries	37,288	3,452	1,994	1,456	54.8	82.8	79.2	87.4	9.3	5.4	3.9
Transportation and public utilities	3,541	38	17	21	5.8	0.8	0.7	1.3	1.1	0.8	0.8
Wholesale trade	1,802	38	29	10	3.0	0.9	1.2	0.8	2.1	1.5	0.5
Retail trade	12,896	2,290	1,298	992	21.8	54.7	51.8	39.8	18.7	9.8	7.2
Finance, insurance, and real estate services	2,481	58	20	18	3.9	0.9	0.8	1.1	1.8	0.8	0.7
Services	18,888	1,046	628	417	24.7	25.8	25.9	25.8	4.7	4.0	2.7
Private households	474	150	18	131	0.7	3.6	0.8	7.9	31.8	4.0	27.8
Other services	18,191	898	610	286	24.8	21.4	24.2	17.1	5.9	4.0	1.9
Business and repair services	3,148	187	134	52	5.0	4.0	5.3	2.0	5.2	4.3	1.9
Entertainment and recreation	1,618	206	132	78	2.8	5.0	5.2	4.8	12.8	8.2	4.7
Professional services	8,677	383	258	125	15.0	8.1	10.2	7.3	4.0	2.7	1.3
Foodery and beverages	18	0	0	0	0.0	0.0	0.0	0.0	(1)	(1)	(1)
<b>Public sector</b>	<b>8,484</b>	<b>313</b>	<b>223</b>	<b>88</b>	<b>13.4</b>	<b>7.5</b>	<b>8.9</b>	<b>5.9</b>	<b>3.7</b>	<b>2.7</b>	<b>1.0</b>
Federal	1,099	44	24	18	3.2	1.1	1.0	1.1	2.2	1.3	0.8
State	1,386	105	83	22	3.1	2.5	3.3	1.3	5.3	4.2	1.1
Local	4,485	164	118	48	7.1	3.9	4.6	2.9	3.7	2.6	1.1

1 Percent not shown where base is less than \$0,000.

NOTE: Data exclude the incorporated self-employed.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics, unpublished tabulations from the Current Population Survey, 1993 Annual averages.

Table 5. Employed wage and salary workers, 18 years and over, paid hourly rates with earnings at or below the prevailing Federal minimum wage, by educational attainment, 1993 annual averages.

Years of school completed	Number of workers (in thousands)				Percent distribution			Percent of all workers paid hourly rates			
	Total paid hourly rates	At or below \$4.25			Total paid hourly rates	At or below \$4.25		At or below \$4.25			
		Total	At \$4.25	Below \$4.25		Total	At \$4.25	Below \$4.25	Total	At \$4.25	Below \$4.25
Total, 18 years and over	63,318	4,188	2,518	1,668	100.0	100.0	100.0	100.0	6.6	4.0	2.6
Less than a high school diploma	11,232	1,580	1,079	522	17.8	36.1	42.8	31.2	14.1	9.5	4.6
Less than 4-9 years of high school	2,852	334	228	108	4.5	9.0	9.0	6.5	11.5	7.8	3.7
1 to 3 years of high school	7,231	1,100	749	360	11.4	26.5	25.7	21.6	15.3	10.4	5.0
4 years high school, no diploma	1,188	152	97	55	1.9	3.6	3.9	3.3	13.0	8.3	4.7
High school graduates or more	52,024	2,393	1,447	1,146	82.2	61.9	67.2	68.7	8.0	2.6	2.2
High school graduates, no college	33,258	1,256	908	550	41.9	32.6	32.9	33.9	6.1	3.1	2.1
Some college, no degree	14,129	902	501	401	22.3	21.8	19.8	24.8	6.4	3.2	2.3
Associate degree	5,019	135	64	71	7.9	3.2	2.5	4.3	2.7	1.3	1.4
Community program	2,983	75	37	38	4.7	1.8	1.5	2.3	2.5	1.2	1.3
Academy program	2,032	59	27	32	3.2	1.4	1.1	1.9	2.9	1.3	1.6
College graduates, total	6,521	199	79	123	10.3	4.8	3.0	7.4	3.1	1.2	1.9
Bachelor's degree	5,425	172	68	104	8.6	4.1	2.7	6.2	3.2	1.2	1.9
Master's degree	898	25	7	18	1.4	0.6	0.3	1.1	2.8	0.8	2.0
Professional degree	136	1	1	0	0.2	0.0	0.0	0.0	0.7	0.7	0.0
Doctoral degree	64	1	0	1	0.1	0.0	0.0	0.1	1.6	0.0	1.6

NOTE: Data exclude the incorporated self-employed.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics, unpublished tabulations from the Current Population Survey, 1993 annual averages.

Table 6. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage, by sex and detailed age, 1993 annual averages.

Sex and age	Number of workers (In thousands)			Percent distribution			Percent of all workers paid hourly rates			
	Total paid hourly rate	At or below \$4.25		Total paid hourly rate	At or below \$4.25		At or below \$4.25			
		Total	At \$4.25		Below \$4.25	Total	At \$4.25	Below \$4.25		
<b>BOTH SEXES</b>										
Total, 16 years and over	63,319	4,186	2,519	1,866	100.0	100.0	100.0	6.9	4.0	2.9
Under 25 years	14,231	2,241	1,434	807	22.6	33.8	46.4	15.8	10.9	6.9
16 to 19 years	8,021	1,208	829	360	7.9	31.2	38.9	26.1	18.5	7.6
20 to 24 years	6,211	1,032	505	429	14.7	22.3	20.1	25.8	10.8	6.4
25 years and over	49,088	1,946	1,085	861	77.4	46.9	53.1	4.0	2.2	1.8
25 to 34 years	17,389	809	438	368	37.7	18.3	17.4	4.8	2.5	2.1
35 to 44 years	6,567	429	241	188	13.5	10.2	9.6	11.3	6.0	2.8
45 to 54 years	9,026	377	197	180	14.2	9.0	7.8	10.8	4.2	2.2
55 to 64 years	19,264	829	290	220	24.2	11.9	11.1	13.2	3.3	1.9
65 to 74 years	1,332	299	154	129	13.8	7.0	6.2	8.3	3.5	1.9
75 to 84 years	6,972	205	124	81	11.0	4.9	4.8	4.8	2.9	1.8
85 to 94 years	6,977	292	156	126	15.9	6.7	6.2	7.6	2.9	1.6
95 to 99 years	3,450	159	95	64	6.6	3.8	3.8	2.9	1.7	1.2
50 to 64 years	4,228	123	61	62	6.7	2.9	2.9	3.7	2.9	1.4
65 to 84 years	6,041	209	127	82	8.0	3.0	3.0	4.9	4.1	2.6
85 to 94 years	3,086	109	71	38	4.8	2.9	2.3	3.6	2.3	1.2
95 to 99 years	1,976	100	56	44	3.1	2.4	2.2	3.1	2.9	2.2
65 years and over	1,348	148	83	65	2.1	3.5	3.9	11.0	6.2	4.8
85 to 94 years	619	77	45	32	1.3	1.8	1.9	5.9	3.5	2.9
70 years and over	533	71	38	33	0.8	1.7	1.5	2.0	13.3	7.1
<b>MEN</b>										
Total, 16 years and over	31,899	1,823	1,232	631	50.1	37.8	41.0	33.8	6.0	3.3
Under 25 years	7,283	968	678	288	11.7	23.1	26.8	17.0	12.1	9.2
16 to 19 years	2,832	599	462	137	4.0	14.3	16.3	6.2	23.7	18.2
20 to 24 years	4,451	369	216	151	7.7	8.7	8.8	9.1	7.5	4.4
25 years and over	24,616	815	355	263	36.4	14.8	14.1	15.8	2.5	1.5
25 to 34 years	9,289	272	157	118	14.8	6.5	6.2	7.0	2.9	1.7
35 to 44 years	4,843	180	95	85	7.3	3.8	3.8	3.9	3.4	2.0
45 to 54 years	4,729	113	62	51	7.5	2.7	2.5	3.1	2.4	1.3
55 to 64 years	7,437	180	65	65	11.7	3.6	3.4	3.9	2.0	1.1
65 to 74 years	4,149	91	49	42	6.6	2.2	1.9	2.8	2.2	1.2
75 to 84 years	3,289	59	36	23	5.2	1.4	1.4	1.8	1.1	0.7
85 to 94 years	4,483	80	43	37	7.1	1.9	1.7	2.2	1.6	1.0
95 to 99 years	2,521	43	24	19	4.0	1.0	1.0	1.1	1.7	1.0
50 to 64 years	1,862	38	19	19	3.1	0.9	0.9	1.1	1.9	1.0
65 to 84 years	2,416	67	42	25	3.8	1.6	1.7	1.5	2.8	1.7
85 to 94 years	1,468	34	24	10	2.3	0.8	1.0	0.8	2.3	1.8
95 to 99 years	950	33	17	16	1.5	0.6	0.7	1.0	3.3	1.9
65 years and over	609	48	28	20	1.0	1.1	1.1	1.2	7.9	4.6
85 to 94 years	364	30	18	12	0.8	0.7	0.7	0.7	4.9	3.3
70 years and over	248	18	10	8	0.4	0.4	0.4	0.5	7.3	4.1
<b>WOMEN</b>										
Total, 16 years and over	31,817	2,623	1,486	1,117	49.9	62.2	59.0	67.0	8.2	4.7
Under 25 years	6,948	1,275	758	519	11.0	30.8	30.0	31.1	18.4	10.9
16 to 19 years	2,489	709	465	244	3.9	16.9	18.5	14.8	29.8	18.7
20 to 24 years	4,459	566	291	275	7.0	13.5	11.8	16.5	12.7	8.5
25 years and over	24,871	1,328	730	568	39.0	31.7	29.0	35.9	6.4	3.0
25 to 34 years	8,197	534	291	253	12.9	12.9	11.2	15.2	6.5	3.4
35 to 44 years	3,914	209	149	123	6.2	6.4	5.8	7.4	6.9	3.7
45 to 54 years	4,282	264	133	129	9.8	6.3	5.4	7.7	6.2	3.2
55 to 64 years	7,917	350	195	153	12.8	8.4	7.7	9.3	4.4	2.5
65 to 74 years	4,222	204	107	97	6.7	4.8	4.2	5.8	4.8	2.5
75 to 84 years	3,883	145	88	57	5.8	3.5	3.4	3.9	2.4	1.5
85 to 94 years	6,194	202	114	88	8.2	4.8	4.5	5.3	3.9	2.2
95 to 99 years	2,829	118	71	45	4.6	2.9	2.8	2.7	4.0	2.4
50 to 64 years	2,286	67	43	44	3.9	2.1	1.7	2.8	3.9	1.9
65 to 84 years	2,829	143	88	57	4.1	3.4	3.4	3.4	5.3	2.2
85 to 94 years	1,801	78	47	29	2.5	1.9	1.9	1.7	4.7	2.9
95 to 99 years	1,023	67	39	28	1.6	1.6	1.5	1.7	6.6	3.8
65 years and over	737	100	55	45	1.2	2.4	2.2	2.7	13.8	7.5
85 to 94 years	449	48	26	20	0.7	1.1	1.0	1.2	10.2	5.8
70 years and over	288	53	28	25	0.8	1.3	1.1	1.5	18.4	9.7

NOTE: Data exclude the incorporated self-employed.

SOURCE: U.S. Department of Labor, Bureau of Statistical, unpublished tabulations from the Current Population Survey, 1993 annual averages.



Table 7. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage, by sex, marital status, and age, 1993 annual averages

Sex, marital status, and age	Number of workers (in thousands)				Percent distribution				Percent of all workers paid hourly rates		
	Total paid hourly rates -	At or below \$4.25			Total paid hourly rate	At or below \$4.25			At or below \$4.25		
		Total	At \$4.25	Below \$4.25		Total	At \$4.25	Below \$4.25	Total	At \$4.25	Below \$4.25
<b>MALES</b>											
Total, 16 years and over	63,218	4,188	2,518	1,668	100.0	100.0	100.0	100.0	6.6	4.0	2.6
Never married, 16 years and over	19,826	2,480	1,550	930	31.5	30.5	31.6	36.3	12.8	7.2	4.7
16 to 24 years	11,781	2,016	1,298	718	16.8	16.1	16.8	23.0	17.1	11.0	4.1
25 years and over	7,880	478	254	224	12.4	12.4	12.8	28.9	8.8	3.1	2.7
25 to 34 years	2,172	173	111	62	3.4	3.4	3.7	8.0	2.3	0.9	1.4
35 to 44 years	31,394	328	189	139	49.2	48.2	49.2	55.2	3.0	1.7	1.3
45 to 54 years	28,500	754	419	335	45.1	42.5	45.9	50.1	2.8	1.6	1.2
55 to 64 years	10,027	443	230	143	15.9	14.9	15.6	17.8	1.8	0.9	0.9
65 to 74 years	378	53	29	24	0.6	0.6	0.6	0.6	0.3	0.2	0.2
75 years and over	3,709	531	311	220	5.8	5.2	5.8	6.5	5.8	3.2	2.3
25 to 64 years	7,829	390	223	167	12.4	9.3	8.8	10.9	6.0	2.8	2.1
<b>WOMEN</b>											
Total, 16 years and over	31,899	1,343	1,032	551	50.1	37.8	41.9	33.9	6.0	3.3	1.7
Never married, 16 years and over	10,878	1,152	779	373	17.2	27.5	30.8	22.8	10.5	7.0	3.5
16 to 24 years	4,252	806	533	272	9.9	21.8	25.1	16.3	14.8	10.1	4.3
25 years and over	4,717	247	127	119	7.4	5.9	5.4	6.8	5.2	2.9	2.2
25 to 34 years	4,388	232	128	106	7.2	5.5	5.0	6.4	5.1	2.7	2.1
35 to 44 years	17,101	321	184	137	27.8	7.7	7.7	7.8	1.9	1.1	0.7
45 to 54 years	976	45	26	19	3.1	1.1	1.4	0.5	0.6	0.3	0.3
55 to 64 years	16,124	278	158	118	25.5	8.8	8.2	7.1	1.7	1.0	0.7
65 to 74 years	13,888	198	116	84	21.8	4.7	4.5	5.0	1.4	0.8	0.6
75 years and over	3,610	111	69	42	5.7	2.7	2.7	2.5	3.1	1.9	1.2
Other marital status, 16+ years	167	18	9	7	0.2	0.4	0.4	0.4	10.9	6.1	4.8
16 to 24 years	3,472	95	60	35	8.5	2.3	2.4	2.1	2.7	1.7	1.0
25 to 64 years	3,008	74	48	28	4.8	1.8	1.8	1.7	2.8	1.5	0.9
<b>WOMEN</b>											
Total, 16 years and over	31,817	2,603	1,486	1,117	49.8	62.2	59.0	47.9	8.2	4.7	2.5
Never married, 16 years and over	8,946	1,337	780	557	14.1	31.9	31.0	33.6	14.8	8.7	6.2
16 to 24 years	5,519	1,109	663	446	8.7	28.5	28.2	26.7	20.1	12.0	8.1
25 years and over	3,425	228	117	111	5.4	3.4	4.9	6.7	6.7	3.4	3.2
25 to 34 years	3,274	212	108	104	5.2	5.1	4.2	6.2	6.5	3.3	3.2
35 to 44 years	16,308	792	437	355	25.8	18.9	17.4	21.3	4.8	2.7	2.2
45 to 54 years	11,960	129	78	53	1.9	3.1	3.0	3.2	10.8	8.4	4.4
55 to 64 years	16,009	663	361	302	23.7	15.6	14.2	18.1	4.4	2.4	2.0
65 to 74 years	13,213	558	304	252	20.8	13.2	12.1	15.1	4.2	2.3	1.9
75 years and over	6,488	474	269	205	10.2	11.3	10.7	12.3	7.5	4.2	3.2
Other marital status, 16+ years	221	37	17	20	0.4	0.9	0.7	1.2	16.0	7.4	5.1
16 to 24 years	8,237	437	232	185	9.9	10.4	10.0	11.1	7.0	4.0	3.0
25 to 64 years	4,621	317	178	139	7.8	7.8	7.1	8.3	6.8	3.7	2.9

NOTE: Data exclude the incorporated self-employed.  
SOURCE: U.S. Department of Labor, Bureau of Labor Statistics, unpublished tabulations from the Current Population Survey, 1993 annual averages.

Table 8. Employed wage and salary workers paid hourly rates with earnings at or below the prevailing Federal minimum wage, by hours usually worked per week, 1993 annual averages.

Hours usually worked	Number of workers (in thousands)			Percent distribution			Percent of all workers paid hourly rates			
	Total paid hourly rates	At or below \$4.25		Total paid hourly rates	At or below \$4.25		At or below \$4.25			
		Total	At \$4.25		Below \$4.25	Total	At \$4.25	Below \$4.25		
Total, 16 years and over	63,218	4,186	2,518	1,868	100.0	100.0	100.0	6.8	4.6	2.8
Under 16 hours	16,191	2,738	1,884	1,266	25.8	65.4	66.8	16.8	10.4	6.5
5 to 9 hours	258	81	26	33	0.4	1.8	1.0	2.1	23.8	13.5
10 to 14 hours	922	192	104	59	1.4	4.8	4.1	8.3	21.8	9.8
15 to 19 hours	1,574	327	223	112	2.5	8.1	8.9	8.7	21.4	7.1
20 to 24 hours	2,424	478	301	175	3.8	11.4	12.0	10.8	19.8	12.4
25 to 29 hours	4,883	794	548	248	7.7	19.0	21.7	14.8	18.8	11.2
30 to 34 hours	2,278	368	202	188	3.8	9.3	8.0	11.2	17.1	8.9
35 to 39 hours	3,274	491	279	212	6.1	11.7	11.1	12.7	12.7	7.2
40 hours or more	47,123	1,448	835	619	74.8	56.8	23.2	26.8	9.1	1.8
40 hours or more	4,821	375	198	177	7.8	9.0	7.9	10.8	7.8	4.0
40 hours	42,302	1,073	637	438	66.7	25.8	25.3	28.1	2.8	1.8
41 hours or more	23,256	914	588	345	35.7	21.8	22.8	20.7	2.8	1.8
41 hours	6,948	159	82	81	11.0	3.8	2.7	1.6	2.5	1.0
41 to 44 hours	1,049	19	14	5	1.7	0.3	0.8	0.3	1.8	0.5
45 to 48 hours	2,709	53	26	27	4.3	1.3	1.0	1.6	2.0	1.0
49 to 52 hours	2,388	55	19	34	3.8	1.3	0.8	2.2	2.3	0.8
53 hours or more	808	22	9	23	1.3	0.8	0.4	1.4	4.0	1.1

NOTE: Data exclude the incorporated self-employed.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics, unpublished estimates from the Current Population Survey, 1993 annual averages.

Table B. Workers paid hourly rates and minimum wage workers, by sex, 1979-1993

Year	Total wage and salary workers	Workers paid hourly rates					
		Total	Percent of wage and salary workers	Paid less than the prevailing minimum wage	Paid the prevailing minimum wage	Total paid the prevailing minimum wage or less	
						Number	Percent of hourly paid workers
<b>Both sexes</b>							
1979	85,773	50,637	59.0	2,848	3,907	6,753	13.3
1980	85,780	50,210	58.5	3,017	4,581	7,598	15.1
1981 (end 1970 weights)	86,851	50,770	58.6	3,440	4,201	7,641	15.1
1981 (begin 1980 weights)	84,816	51,869	58.6	3,513	4,311	7,824	15.1
1982	87,368	50,848	58.2	2,348	4,148	6,496	12.8
1983	88,290	51,820	58.7	2,077	4,281	6,338	12.2
1984	92,194	54,143	58.7	1,838	4,125	5,963	11.0
1985	94,821	55,782	59.0	1,639	3,899	5,538	9.9
1986	96,903	57,529	59.4	1,599	3,481	5,060	8.9
1987	99,303	59,552	60.0	1,468	3,229	4,697	7.9
1988	101,407	60,878	60.0	1,319	2,508	3,927	6.5
1989	103,480	62,389	60.3	1,372	1,790	3,162	5.1
1990 (Q2 1990 - Q1 1991)*	103,587	62,112	60.0	2,221	968	3,189	5.1
1991 (Q2 1991 - Q1 1992)	102,872	61,782	60.1	2,351	3,383	5,716	9.3
1992	103,688	62,683	60.5	1,898	2,888	4,782	7.6
1993	105,068	63,318	60.3	1,668	2,518	4,186	6.6
<b>Men</b>							
1979	48,389	27,771	57.4	820	1,318	2,138	7.7
1980	47,841	27,073	56.8	957	1,654	2,611	9.6
1981 (end 1970 weights)	47,769	26,936	56.4	1,090	1,489	2,579	9.6
1981 (begin 1980 weights)	48,844	27,578	56.5	1,119	1,533	2,652	9.6
1982	47,591	26,481	55.8	697	1,587	2,284	8.6
1983	47,858	26,831	56.1	585	1,658	2,243	8.4
1984	50,022	28,140	56.3	490	1,628	2,118	7.5
1985	51,015	28,893	56.6	440	1,544	1,984	6.9
1986	51,942	29,666	57.1	408	1,338	1,744	5.9
1987	52,838	30,474	57.8	364	1,283	1,647	5.4
1988	53,912	31,058	57.8	311	1,068	1,377	4.4
1989	54,789	31,687	57.9	379	733	1,112	3.5
1990 (Q2 1990 - Q1 1991)	54,673	31,355	57.5	732	318	1,050	3.3
1991 (Q2 1991 - Q1 1992)	53,879	31,010	57.6	781	1,301	2,082	6.7
1992	54,135	31,510	58.2	628	1,164	1,792	5.7
1993	54,776	31,699	57.9	551	1,032	1,583	5.0
<b>Women</b>							
1979	37,384	22,866	61.2	2,026	2,589	4,615	20.2
1980	38,140	23,135	60.7	2,080	2,927	4,987	21.8
1981 (end 1970 weights)	38,882	23,834	61.3	2,350	2,711	5,061	21.2
1981 (begin 1980 weights)	39,672	24,294	61.2	2,394	2,778	5,172	21.3
1982	39,777	24,365	61.3	1,651	2,561	4,212	17.3
1983	40,433	24,989	61.8	1,492	2,603	4,095	16.4
1984	42,172	26,003	61.7	1,348	2,499	3,847	14.8
1985	43,506	26,869	61.8	1,198	2,356	3,554	13.2
1986	44,961	27,863	62.0	1,192	2,125	3,317	11.9
1987	46,365	29,078	62.7	1,105	1,948	3,051	10.5
1988	47,495	29,820	62.8	1,008	1,542	2,550	8.6
1989	48,681	30,702	63.1	994	1,056	2,050	6.7
1990 (Q2 1990 - Q1 1991)	49,014	30,757	62.8	1,489	650	2,139	7.0
1991 (Q2 1991 - Q1 1992)	48,993	30,771	62.8	1,570	2,084	3,634	11.8
1992	49,554	31,173	62.9	1,268	1,702	2,970	9.5
1993	50,292	31,817	62.9	1,117	1,488	2,603	8.2

\* The prevailing Federal minimum wage was \$2.80 in 1979, \$3.10 in 1980, and \$3.35 in 1981-89. The minimum wage rose to \$3.80 in April 1990, and to \$4.25 in April 1991.

NOTE: Data exclude the incorporated self-employed. Estimates based on sample weights applicable to 1970 census population controls are not strictly comparable to those weights applicable to 1980 controls. Data for 1981 are shown both ways. Although the new weights caused the number of wage and salary workers to rise by 1.8 million, hourly paid workers to rise by 1.1 million, and those at or below the minimum wage to rise by 183,000, percentages and medians changed very little or not at all. See "Revisions to the Current Population Survey Beginning in January 1982," *Employment and Earnings*, February 1982, pp. 8-15, for more information.

SOURCE: U.S. Department of Labor, Bureau of Labor Statistics, unpublished tabulations from the Current Population Survey. For more information about the data in this table, call (202) 608-4378.

1. Hourly paid workers 16 years of age and over in March 1992, by poverty status of 1991 family income

	Total	Wage rate paid in March 1992					
		Below 04.25	Exact- ly 04.25	04.26 to 04.50	04.51 to 05.00	05.01 to 05.50	Above 05.50
Weighted population estimates (000's)							
Family income in 1991:							
Below poverty.....	4,348	323	721	527	920	409	1,447
100-149% of poverty line.....	5,070	279	410	513	823	471	2,373
150-199% of poverty line.....	6,191	161	471	372	810	563	3,815
200% of poverty line.....	44,956	1,141	1,284	1,707	3,030	2,191	35,603
Total.....	60,566	1,906	2,885	3,120	5,582	3,634	43,437
CPS sample counts							
Family income in 1991:							
Below poverty.....	681	47	95	70	122	60	207
100-149% of poverty line.....	784	42	55	65	105	73	362
150-199% of poverty line.....	862	21	60	51	110	73	547
200% of poverty line.....	6,463	166	194	222	436	310	5,131
Total.....	8,630	276	404	408	775	516	6,247

SOURCE: Unpublished data derived from the March 1992 Current Population Survey by the Bureau of Labor Statistics, U.S. Department of Labor.