

# National Week In Review

## Week Ending July 7, 2006

**U**nemployment Rate Remains At 5-Year Low . . . The nation's unemployment rate held steady at 4.6% in June, the lowest level since May 2001. Among teenagers, the jobless rate jumped 1.4 percentage points to 15.4%.

**Nonfarm Employment Up For 34<sup>th</sup> Consecutive Month . . .** Nonfarm employment rose for the 34<sup>th</sup> consecutive month, up 121,000 in June. Job growth was widespread over the month. The service-providing sector expanded by 106,000. Government rose by 31,000, primarily in Local Government (+24,000). Education and Health Services grew by 26,000 jobs, on the strength of Health Care and Social Assistance (+26,600). Over the past year, 278,000 jobs have been added in Health Care. Professional and Business Services added 25,000 jobs, primarily in Professional and Technical Services (+15,500). Leisure and Hospitality increased by 16,000 jobs, mostly in Accommodations and Food Services (+10,800). Employment in the goods-producing sector rose by 15,000. Manufacturing jumped by 15,000, with gains centered in Durable Goods (+15,000). Natural Resources and Mining added 4,000 jobs, mostly in Mining (+5,500), as hiring continued in support activities for oil and gas operations. Construction fell by 4,000 jobs, with losses centered in Residential Specialty Trade Contractors (-5,300).

**Initial Unemployment Insurance Claims Down . . .** The number of Americans filing new claims for unemployment benefits fell by 2,000 to 311,000 in the week ending July 1<sup>st</sup>. However, the four-week average of new claims, which smoothes out the data to reduce the impact of one-time events such as holidays and weather, edged up 2,500 to 308,500. North Carolina had the largest increase in claims, up 6,495, due to layoffs in transportation equipment, primary metals, construction, textile, and the lumber industry. South Carolina was one of six states reporting a decline in initial claims of more than 1,000 compared to the previous week. Initial claims in South Carolina were down 1,037 due to fewer layoffs in the textile industry. The state data lags behind the national jobless claims data by one week.

**Consumer Confidence Bounces Back . . .** The Consumer Confidence Index increased 1.0 point to 105.7 (1985 = 100). The Conference Board's Consumer Research Center reports, "The slight bounce-back in confidence this month was a result of the moderate improvement in consumers' expectations. Consumers expecting more jobs to become available in the next six months climbed to 15.6% from 14.8% in May. The Consumer Confidence Survey is based on a representative sample of 5,000 U.S. households. Consumer confidence is considered a barometer of consumer spending, which accounts for two-thirds of the U.S. economy, and is the broadest measure of U.S. economic output.

### Sources:

- ❑ Bureau of Labor Statistics
- ❑ Conference Board
- ❑ U.S. Department of Labor

**By Mike Daniels**