

# National Week In Review

## Week Ending April 21, 2006

**R**egional and State Employment and Unemployment . . . In March, the South continued to post the lowest regional unemployment rate at 4.4%, followed by the West (4.5%), the Northeast (4.6%), and the Midwest (5.0%). The national jobless rate was 4.7%. Hawaii posted the lowest state seasonally adjusted unemployment rate at 2.6%, followed by Wyoming (2.9%), Florida (3.1%), and Virginia (3.1%). The following states recorded the lowest unemployment rates in their series: Alabama (3.3%), Idaho (3.2%), Montana (3.4%) and New Mexico (4.0%). Mississippi again recorded the highest unemployment rate at 7.9%, followed by Alaska (7.0%), Michigan (6.8%), and South Carolina (6.5%). Nonfarm employment increased in 40 states and decreased in 10 states and the District of Columbia compared to February. Eleven states posted statistically significant changes in seasonally adjusted employment. The largest gains occurred in Florida (+24,500), South Carolina (+14,100), Arizona (+16,600), and Nevada (+8,400).

**Median Weekly Earnings First Quarter 2006 . . .** Median weekly earnings of the nation's 103.5 million full-time wage and salary workers were \$668 in the first quarter of 2006. This was 2.3% higher than a year ago, compared with a rise of 3.6% in the cost of living over the same period. The median weekly earnings for men were \$744 compared to \$600 for women. Among men, those 55 to 64 years old had the highest median weekly earnings at \$910. Among women, earnings were highest for those aged 45 to 54 (\$663). By race, Asians had the highest median weekly earning at \$766, followed by Whites (\$688), African Americans (\$560), and Hispanic ethnicity (\$487).

**Mass Layoff Events Up . . .** In March, employers had 1,082 mass layoff events, seasonally adjusted, resulting in 118,555 workers filing initial claims for unemployment insurance. The number of layoff events increased by 9, and the number of associated initial claims rose by 7,087 over the month. The manufacturing sector accounted for 31% of all mass layoff actions and 40% of all initial claims filed. Among the states, California had the highest number of initial claims filed due to mass layoff events at 29,527, followed by Michigan (9,395), Illinois (7,478), Ohio (6,956), and Wisconsin (6,448). These five states accounted for 50% of all mass layoff actions and 53% of all initial claims. In South Carolina, there were 10 mass layoff events resulting in 1,359 initial claims. A mass layoff event covers layoffs of 50 or more workers beginning in a given month, regardless of the duration of the layoffs.

**Consumer Inflation On The Rise . . .** The Consumer Price Index (CPI), which measures the average change in prices of goods and services from the purchaser's perspective, advanced 0.4% in March to 199.8 (1982 - 1984 = 100). Energy prices surged 1.3% and are 17.3% higher than a year ago. Gasoline prices climbed 3.6% to a level 17.0% higher than a year ago. Apparel prices rose 1.0%, led by a 2.2% rise in women's and girls' apparel. The CPI is the government's most closely watched inflation measure.

**Wholesale Inflation Up . . .** The Producer Price Index (PPI), which measures the cost of a basket of goods and services from the perspective of the seller, rose 0.5% in March to 159.0 (1982 = 100). Energy prices jumped 1.8%, led by a 9.1% rise in gasoline prices. Food prices rose 0.5%, led by higher prices for eggs (+29.2%), and finfish and shellfish (+11.5%).

**Home Mortgage Rates At Four-Year High . . .** Rates for 30-year mortgages, the most commonly used home loan, climbed to an average 6.53% for the week ending April 20<sup>th</sup>. This

is the highest level since July 12, 2002. Mortgage rates rose due to worries of Wall Street investors concerned with monthly increases in consumer and wholesale inflation in March.

**Jobless Claims Down . . .** The number of Americans filing new claims for unemployment benefits fell by 10,000 to 303,000 in the week ending April 15<sup>th</sup>. 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, decreased by 2,250 to 305,250.

**Sources:**

- Bureau of Labor Statistics
- U.S. Department of Labor
- *USA Today*

**By Mike Daniels**