

# National Week In Review

## Week Ending August 4, 2006

**Unemployment Rate Has First Increase In Five Months . . .** The nation's unemployment rate increased 0.2 percentage point to 4.8% in July. The jobless rate for most worker groups – men (4.2%), women (4.2%), teenagers (15.5%), whites (4.1%), and Hispanics (5.3%) – showed little or no change. The unemployment rate for African Americans rose 0.5 percentage points to 9.5%.

**Nonfarm Employment Up For 35<sup>th</sup> Consecutive Month . . .** Nonfarm employment rose for the 35<sup>th</sup> consecutive month, up 113,000 in July. This month's increase was in line with the average monthly gain for the second quarter 2006 (+112,000). For the month, the service-providing sector grew by 115,000. Professional and Business Services added 43,000 jobs, with gains centered in Computer Systems Design and Related Services (+11,800), and Architectural and Engineering Services (+10,000). Leisure and Hospitality increased by 42,000 jobs, mostly in Accommodations and Food Services (+38,300). Education and Health Services rose by 24,000, primarily in Health Care and Social Assistance (+16,300). Employment in the goods-producing sector fell by 2,000. Manufacturing tumbled 15,000, with losses centered in Durable Goods (-10,000). Construction increased by 6,000, on the strength of Nonresidential Specialty Trade Contractors (+8,900).

**Metropolitan Area Unemployment Rates . . .** Unemployment rates were lower in June than a year earlier in 292 of the 367 metropolitan areas across the United States. The areas with the highest unemployment rates were Yuma, Arizona (17.2%); El Centro, Calif. (14.7%); and Gulfport-Biloxi, Miss. (12.5%). Analyzing metropolitan area nonfarm employment, 309 recorded over-the-year increases, 51 reported decreases, and 7 had no change. The largest over-the-year employment gains were recorded in Phoenix-Mesa-Scottsdale, Ariz. (+94,400), and Dallas-Fort Worth-Arlington, Texas (+88,900). The largest over-the-year declines were recorded in New Orleans-Metairie-Kenner, La. (-183,800), and Gulfport-Biloxi, Miss. (-22,200) reflecting the impact of Hurricane Katrina. The metropolitan area data lags behind the national data by one month.

**Average Weekly Earnings By Industry . . .** Average weekly earnings increased 0.4% to \$568.16 in July. The highest industry average was Information at \$862.95, followed by Construction (\$791.11), Financial Activities (\$685.78), Manufacturing (\$685.08), and Professional and Business Services (\$668.16). The lowest industry average was recorded in Leisure and Hospitality, at \$252.70.

**Median Weekly Earnings By Race and Gender . . .** Median weekly earnings of the nation's 105.9 million full-time wage and salary workers were \$659 in the second quarter of 2006. Women had median earnings of \$593 per week, or 81.1% of the \$731 median for men. Median earnings for Asians were \$765 per week, followed by whites (\$678), blacks (\$534), and Hispanics (\$485). By gender, Asian men had the highest median weekly earnings at \$843, followed by white men (\$753), Asian women (\$688), white women (\$602), black men (\$573), black women (\$511), Hispanic men (\$504), and Hispanic women (\$434).

**Initial Unemployment Insurance Claims Up . . .** The number of Americans filing new claims for unemployment benefits increased by 14,000 to 315,000 in the week ending July 29<sup>th</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, was essentially unchanged at 313,750. South Carolina was one of eleven states reporting a decline in initial claims of more

than 3,000 compared to the previous week. Initial claims in South Carolina were down 3,694 due to fewer layoffs in the manufacturing industry. The state data lags behind the national jobless claims data by one week.

**Sources:**

- Bureau of Labor Statistics
- U.S. Department of Labor

**By Mike Daniels**