

National Week In Review

Week Ending June 23, 2006

Mass Layoffs Claims Down . . . In May, employers had 1,074 mass layoff events, seasonally adjusted, resulting in 109,858 workers filing initial claims for unemployment insurance. The number of layoff events fell by 74 and the number of associated initial claims decreased by 8,646 over the month. The manufacturing sector accounted for 22% of all mass layoff actions and 28% of all initial claims filed. The number of manufacturing claimants was highest in transportation equipment manufacturing (7,657, mostly automotive-related), followed by food manufacturing (3,335). Among the states, California had the highest number of initial claims filed due to mass layoff events at 22,138, followed by Illinois (6,641), New York (4,570), and Michigan (4,028). In South Carolina, there were 10 mass layoff events resulting in 988 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.

Housing Construction Rebounds From 13-Month Low . . . Housing starts surged 5.0% in May. This follows three months of declines from the 33-year peak reached in January. Construction of single-family homes rose 2.1%. Housing starts climbed 15.8% in the West. In the South, the nation's largest housing market, starts rose 8.5%. Construction rose by 1.7% in the Northeast but slumped 15.8% in the Midwest. Starts of large apartment units jumped 19.7%. Building permits fell 2.1% to a seasonally-adjusted annual rate of 1.93 million in million in May. This represents the lowest level for permits since November 2003.

Initial Unemployment Insurance Claims Up . . . The number of Americans filing new claims for unemployment benefits increased by 11,000 to 308,000 in the week ending June 17th, reversing a two-week decline. 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, fell by 5,000 to 311,250. This represents the lowest level since the week ending April 22nd.

Sources:

- Bureau of Labor Statistics
- MarketWatch

By Mike Daniels