

## MRINetwork Analysis of the BLS Employment Situation Report October 2011 Employment

The full report can be seen here: <http://www.bls.gov/news.release/empsit.htm>.

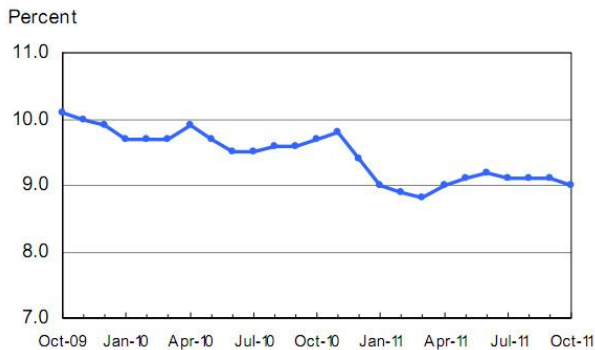
According to the Labor Department, 104,000 private sector jobs were added to the U.S. economy in October, while state governments were largely responsible for a loss of 24,000 positions in the public sector. Nonfarm payroll employment rose 80,000 in October and the unemployment rate fell from 9.1 to 9.0 percent. While the total job gain was lower than that of the last few months, there have been substantial upward revisions in recent months. September's private sector gain, for example, was originally reported at 137,000 and was subsequently revised up to 191,000 in the Labor Department's most recent report.

October's job growth was concentrated on service-providing industries with specific gains in food service and drinking establishments, healthcare facilities, and administrative and support services. While less substantial, a gain of 10,000 general merchandise retailer positions is an additional positive indicator for an industry closely affected by consumer confidence. After significant gains in recent months, non-residential specialty trade contractor employment fell by 22,500 positions, the largest loss of any industry during the month.

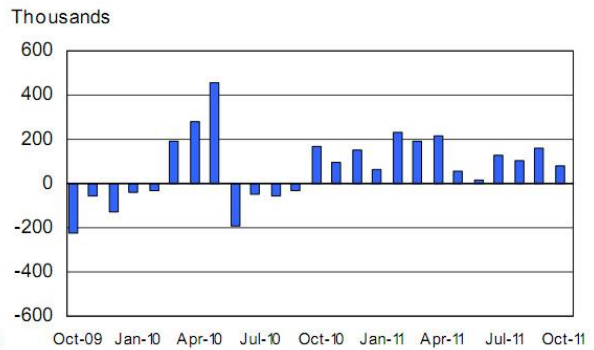
BLS ANALYSIS

NOVEMBER | 2011

**Chart 1. Unemployment rate, seasonally adjusted, October 2009 – October 2011**



**Chart 2. Nonfarm payroll employment over-the-month change, seasonally adjusted, October 2009 – October 2011**



The unemployment rate for those who hold a four-year college degree and higher rose sharply from 4.2 percent to 4.4 percent. While the gain is attributable to an increase in unemployed candidates—up 73,000 during the month—total employment of such degree holders also increased, albeit at a slower rate of just 20,000. The unemployment rate for those working in management, professional and related occupations fell from 4.5 to 4.4 percent year over year. Meanwhile, the unemployment rate among sales and related occupations, which spiked early in the recession, has fallen from 9.1 to 8.2 percent year over year.

A slight decline in the duration of unemployment in October may indicate a positive shift that will hopefully continue. The mean duration of unemployment fell from 40.5 to 39.4 weeks while the median fell from 22.2 weeks to 20.8. Both of these measures have been steadily rising for more than three years, and these drops pull them back to their levels of more than six months ago.

Even when factoring in continued losses in the public sector, the last three months have seen total average job gains in excess of 110,000 a month, a rate exceeding U.S. population growth. On the whole, the most recent employment measures show a labor market that is holding its own with pockets of growth, pockets of stability, but just one consistent area of decline—the public sector, which is the only substantial source of job losses.

Provided each month by:

