

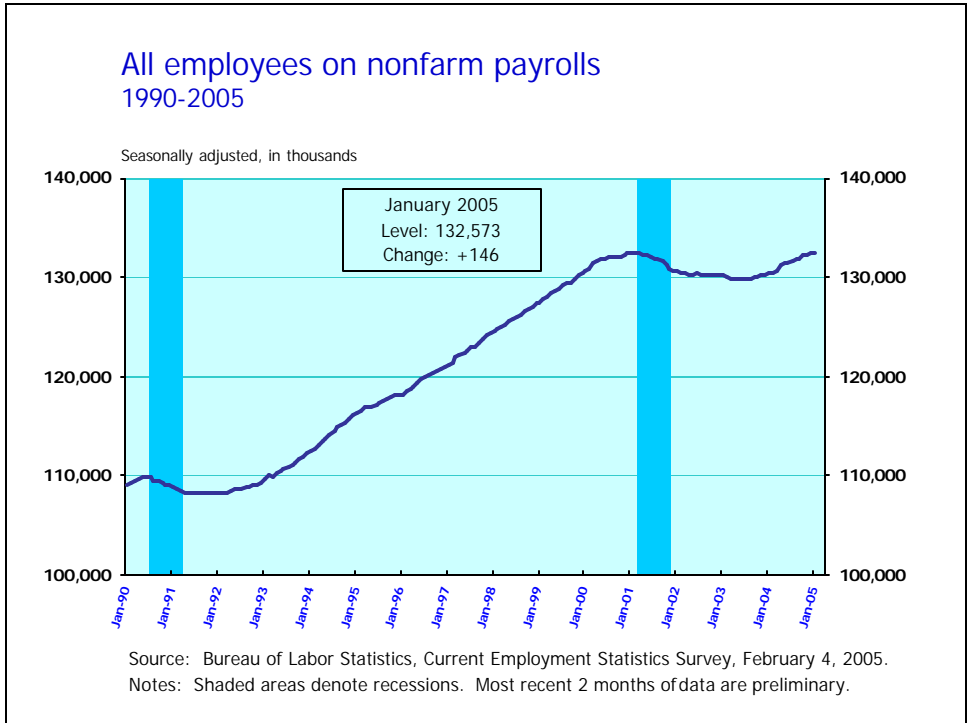


Current Employment Statistics

Highlights

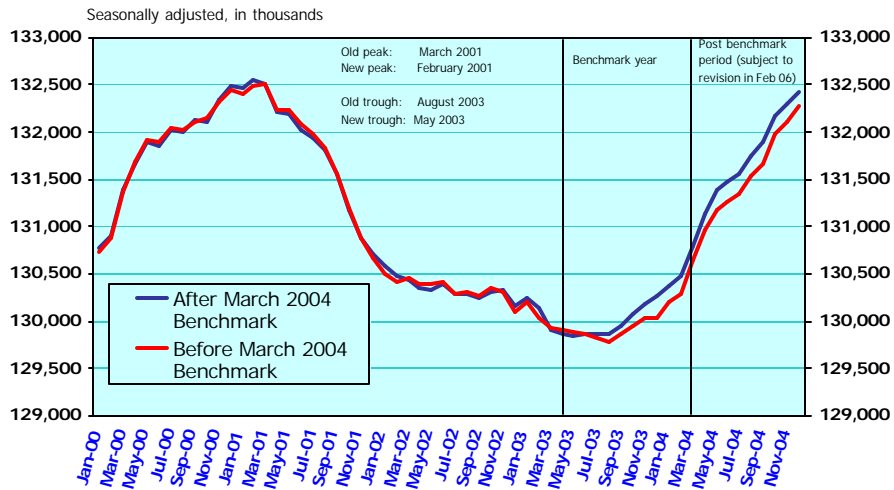
January 2005

Bureau of Labor Statistics
February 4, 2005



- Total nonfarm employment increased by 146,000 in January, following a gain of 133,000 in December. Job gains in January were concentrated in the service-providing industries, while manufacturing posted job losses.
- Since its most recent low point in May 2003, payroll employment has increased by 2.7 million and is now just above the previous peak reached in February 2001.
- Average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls increased by 3 cents in January to \$15.88, seasonally adjusted. The average workweek for these workers decreased by 0.1 hour to 33.7 hours, seasonally adjusted.

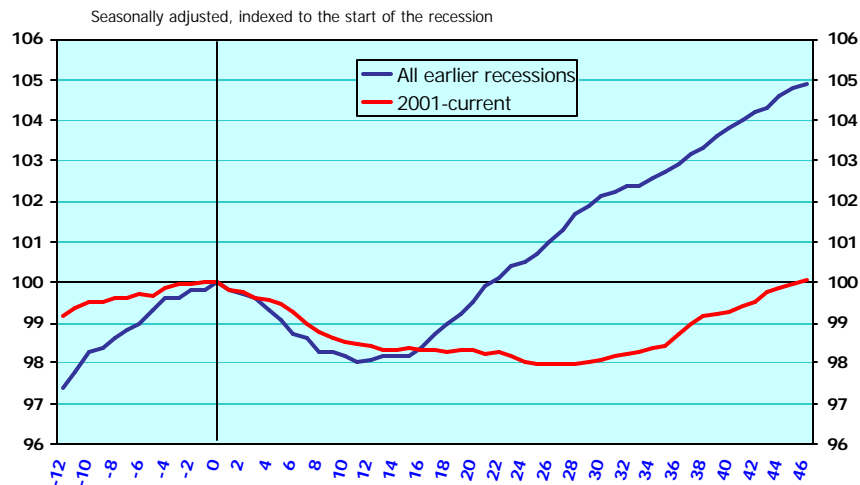
Nonfarm payroll employment, before and after March 2004 benchmark 2000-2004



Source: Bureau of Labor Statistics, Current Employment Statistics Survey, February 4, 2005.
 Note: Most recent 2 months of data are preliminary.

- In accordance with annual practice, the establishment survey data have been revised to reflect comprehensive universe counts of payroll jobs, or benchmarks. These counts are derived principally from the unemployment insurance tax records for March 2004. The benchmark process resulted in revisions to all unadjusted data series from April 2003 forward, the time period since the last benchmark was last established. All seasonally adjusted data series beginning in 2000 were subject to revision in accordance with usual practice of revising 5 years of data. See <https://www.bls.gov/web/cesmart.htm> for more information.
- The total nonfarm employment level for March 2004 was revised upward by 156,000 on a seasonally adjusted basis. The previously published level for December 2004 was revised upward by 161,000 on a seasonally adjusted basis. On a not seasonally adjusted basis, the total nonfarm employment level for March was revised upward by 203,000. The March 2004 percent difference is slightly less than the prior 10-year average benchmark revision of 0.3 percent. Including the latest benchmark update, the 10-year average revision is now 0.2 percent.

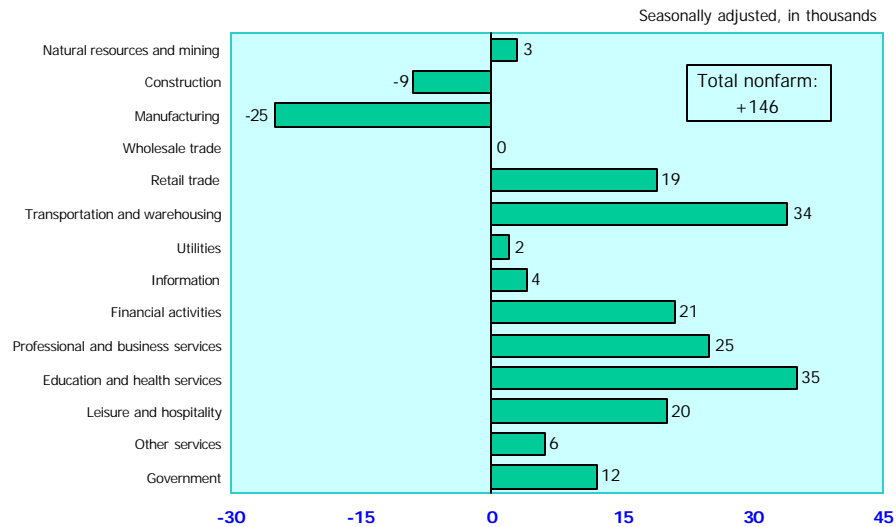
Nonfarm payroll employment, 12 months prior to and 46 months after the onset of recession



Source: Bureau of Labor Statistics, Current Employment Statistics Survey, February 4, 2005.
Note: Most recent 2 months of data are preliminary.

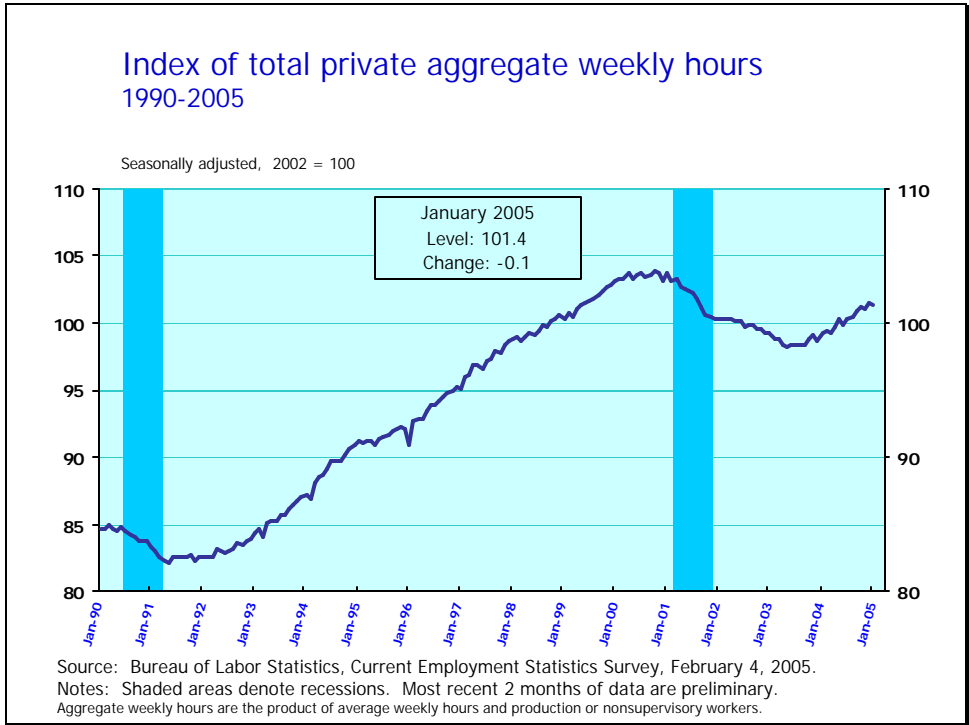
- Employment on nonfarm payrolls has fully recovered from the 2001 recession and now stands slightly above the previous peak reached in February 2001. However, the length of recovery, 46 months, extended 2 years beyond the average recovery period of previous recessions.
- Nonfarm payroll employment for the most recent period, 2001-current, is indexed to equal 100 at the start of the recession. All earlier recessions are represented by an average of similarly indexed data for earlier 58-month periods surrounding recessions. Zero represents the month when the business cycle peaked.

Employment in total nonfarm and supersectors Over-the-month change, January 2005

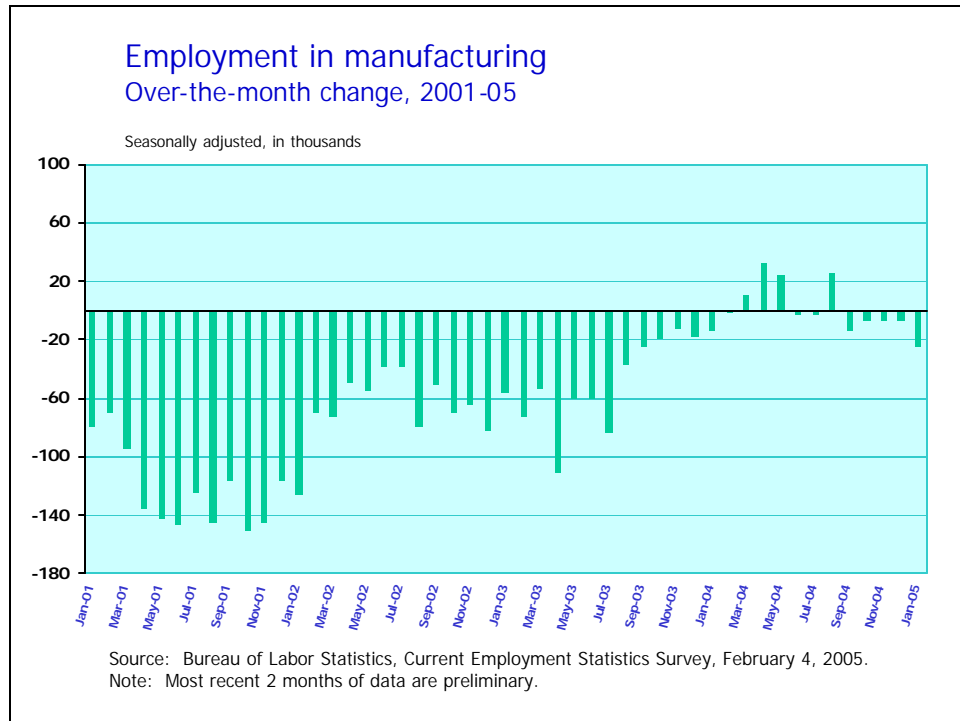


Source: Bureau of Labor Statistics, Current Employment Statistics Survey, February 4, 2005.
Note: Data are preliminary.

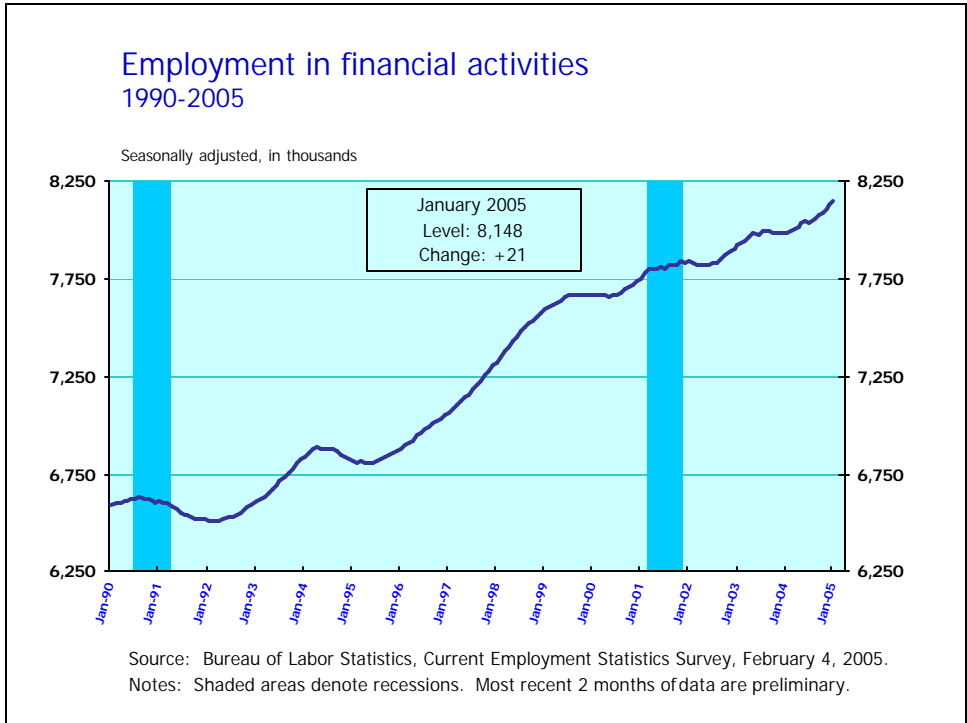
- Job gains were concentrated in the service-providing industries, while manufacturing continued to lose jobs.
- The largest employment increases in January were in education and health services, which added 35,000 jobs, and transportation and warehousing, which added 34,000 jobs.
- Construction employment was little changed in January (-9,000). Since its recent low in March 2003, the industry added 407,000 jobs. Adverse weather in January may have resulted in more seasonal layoffs than usual.
- Note: With the release of January data on February 4, 2005, the Current Employment Statistics program (CES) began producing and publishing employment series for residential and nonresidential specialty trade contractors and construction of buildings.



- Although total nonfarm employment has recovered from its most recent downturn, the index of total private aggregate weekly hours has not. This index fell 5.7 points between October 2000 and May 2003 and has to date recovered by 3.2 points.

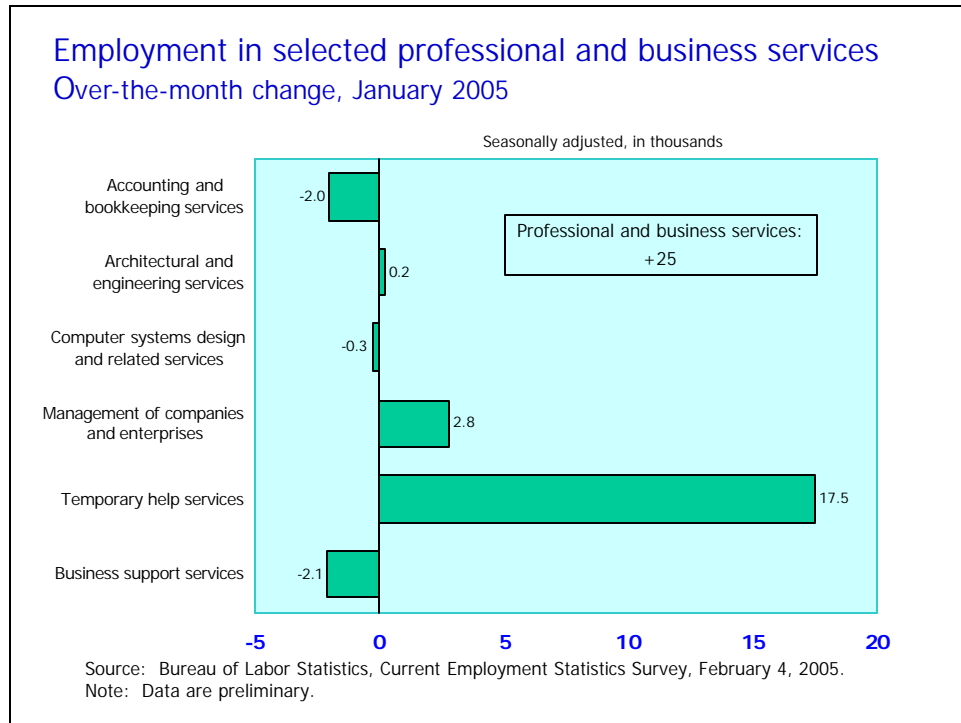


- Manufacturing employment fell by 25,000 in January. The second and third quarters of 2004 looked promising for manufacturing as jobs were added in consecutive quarters for the first time in 5 years. However, in the fourth quarter of 2004 the industry returned to losses, which have continued into 2005.
- Both the factory workweek and overtime hours increased by 0.1 hour to 40.7 and 4.6 hours respectively. The manufacturing workweek trended downward after reaching a recent high of 41.0 hours in May 2004. Month-to-month changes have been erratic, yet the workweek has failed to reach the May high again. Overtime hours have been little changed over the past year as 2004 saw weekly overtime equal either 4.5 or 4.6 hours each month.
- Note: With the release of January data on February 4, 2005 the CES program began publishing employment hours and earnings for motor vehicle parts manufacturing. The specific series motor vehicle parts manufacturing does not exist within the 2002 North American Industry Classification System; however it can be defined by aggregating the following series: motor vehicles, motor vehicle bodies and trailers, and motor vehicle parts.

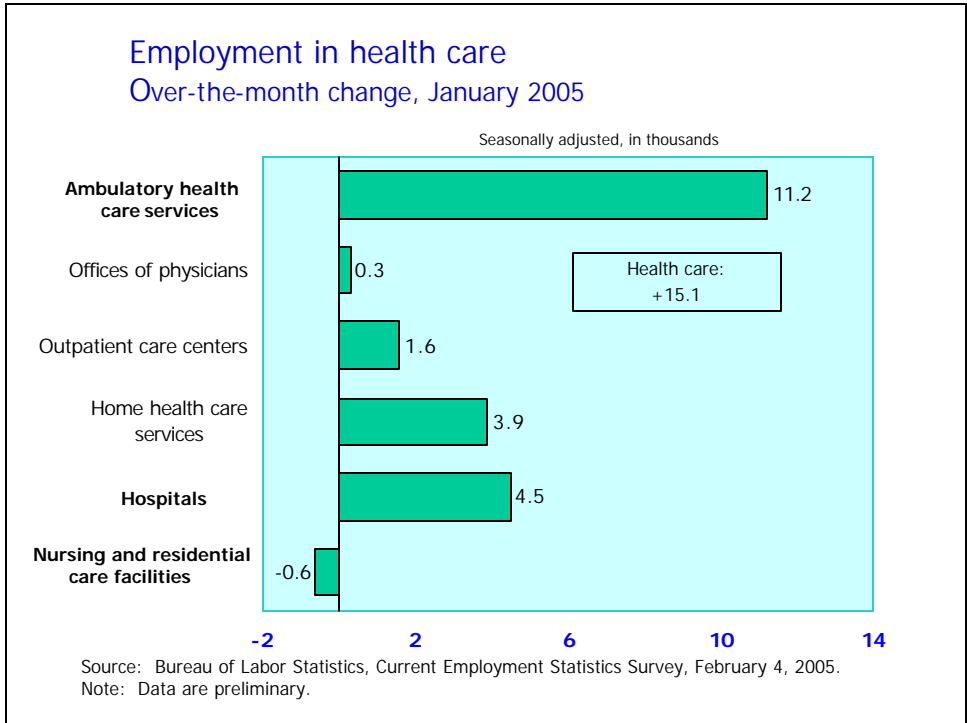


- Financial activities employment increased by 21,000 in January. Credit intermediation and securities, commodities, and investments contributed to the gain.
- Employment in credit intermediation has picked up over the last 3 months, with increases that have been double its prior 12-month average. This industry has proven over time to be interest rate sensitive, and as both short and long-term rates remain low, employment continues to trend upward.

Employment in selected professional and business services Over-the-month change, January 2005



- Employment in professional and business services edged up in January. Employment in the sector has risen by 806,000 since reaching a trough in December 2002; however, the sector's employment is still below the prior peak level of November 2000. In 2004, professional and business services added 514,000 jobs, which were the most jobs added in a calendar year since 1999.
- While no single component industry had a significant gain or loss, several components did stray from their prior 6-month averages. Employment gains stalled in architectural and engineering services and computer system design and related services as both industries were flat over the month.
- Temporary help services added 17,500 jobs continuing its 2004 trend. The industry exhibited strong growth in 2004 adding 187,200 jobs to payrolls for a growth rate of 8.1 percent. With job gains totaling 364,700 since the April 2003 employment trough, payroll employment in temporary help services now rests 171,100 below the April 2000 peak.



- Employment in health care continued to expand in January, with an increase of 15,000. This industry has exhibited impressive growth over the years. In the year ending January 2005, the industry accounted for 12.7 percent of private payroll growth, or 1 of every 8 jobs added to private payrolls.
- Ambulatory health care services added about 11,000 jobs to payrolls, which is slightly below average for the industry. Over the last 4 months, however, above-average and below-average changes about balance to an overall continuation of the prevailing trend.
- Note: With the release of January data on February 4, 2005 the CES program began publishing employment hours and earnings for health care. The specific series health care does not exist within the 2002 NAICS; however it can be defined by aggregating the following series: ambulatory health care services, hospitals, and nursing and residential care.