



# JUNE 2009

## Monthly Employment Report

July 2, 2009

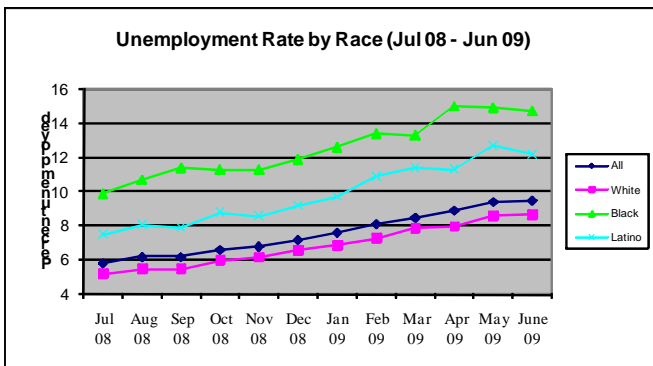
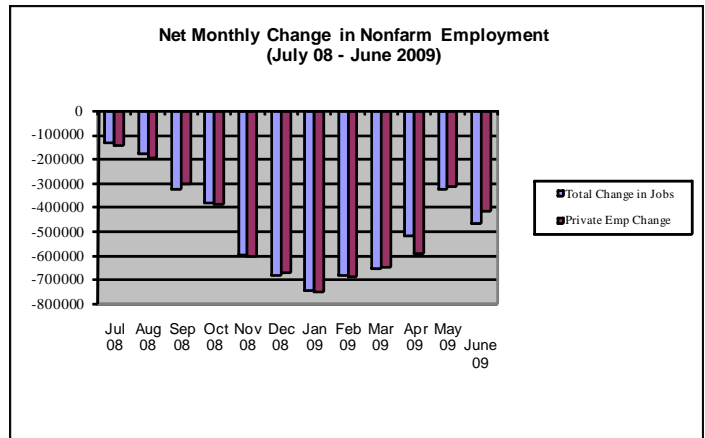
### SUMMARY

- Unemployment remains relatively flat at 9.5%, black unemployment declines to 14.7%; participation declines for many groups.
- Job losses regain some momentum: 467,000 net jobs lost in June, more than expected.

The June numbers gave little reason to hope for a recovery anytime soon. For the first time in months there was not a big jump in the unemployment rate (it remained essentially level at 9.5%), but both the employment-population level and the participation rate declined—indicating that people have stopped looking for work and have left the workforce. The black unemployment rate declined from 14.9% to 14.7%. Adult black men declined from 16.8% to 16.4% (with a big drop in their participation rate); adult black women increased slightly (from 11.2% to 11.3%), but their participation rate was one of the few to increase. While the overall teen unemployment rate increased to 24%, the black teen rate decreased to 37.9%. The overall white unemployment rate increased slightly to 8.7%, and Latinos saw a drop to 12.2% (both also saw declines in participation rates).

### Pace of Jobs Losses Accelerates Again

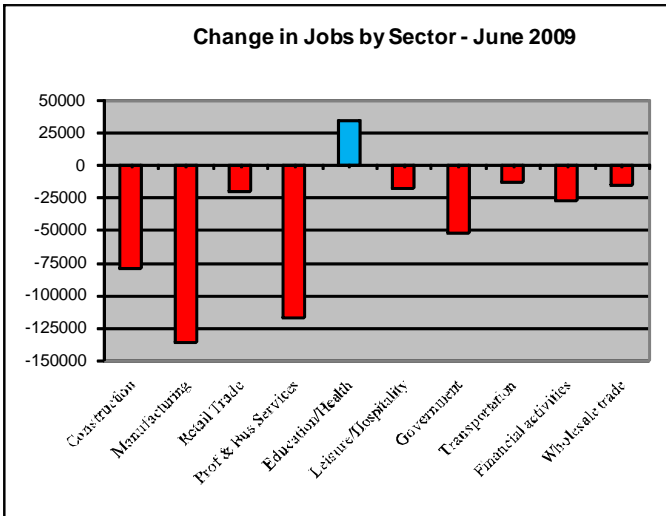
Nonfarm payroll employment decreased by a net of 467,000 jobs in June (a decline of 0.35%), more than economists were expecting. Since the recession began in December of 2007, the economy has lost 6.5 million jobs (-4.7%). So far in 2009, the economy has lost an average of 563,000 jobs each month. Not counting government jobs, the private sector lost 415,000 net jobs in June and 6.6 million since the recession began. The private sector has averaged 567,000 lost jobs each month this year.



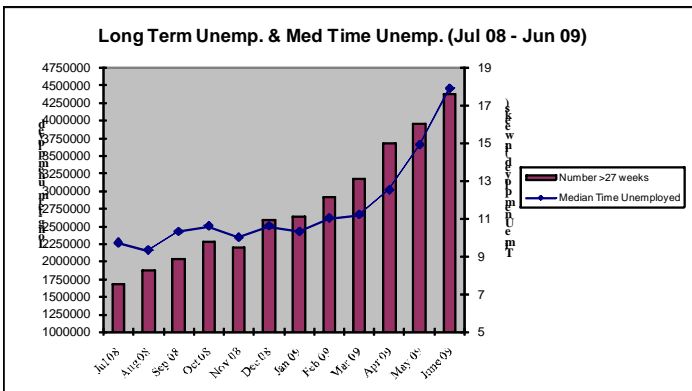
### Job Losses Widespread in June

Manufacturing again led job losses in June, losing 136,000 jobs (1.13%), followed by professional/business services (-118,000 or 0.71%) and then construction (-79,000 or 1.25%). These three industries have accounted for nearly three-quarters of the jobs lost since the recession began. The overall numbers were dragged down in part by the government sector (-52,000), largely due to the layoff of temporary workers for the 2010 Census. Financial services (-27,000) and retail trade (-21,000) also had sizeable losses. Education and health care was again the only sector with growth, growing by 34,000 net jobs, led by 21,000 jobs in the health care industry; while these numbers are about average for this year, it is below the average monthly gain for last year.

	June, 2008		May, 2009		June, 2009	
	Unemp	LFP	Unemp	LFP	Unemp	LFP
Black men, 20+	9.7%	71.5%	16.8%	70.5%	16.4%	69.8%
White men, 20+	4.6%	76.1%	9.0%	75.9%	9.2%	75.8%
Black women, 20+	7.4%	64.3%	11.2%	63.6%	11.3%	63.8%
White women, 20+	4.2%	60.4%	6.9%	60.7%	6.8%	60.5%
Black teens, 16-19	29.8%	27.9%	39.4%	27.4%	39.4%	27.1%
White teens, 16-19	17.0%	43.9%	20.3%	41.9%	20.3%	41.4%



**Long-term Unemployed Continues Sharp Rise**  
 The total number of unemployed remained relatively level in June at 14.7 million, but this is up 7.2 million since the recession began. Long-term unemployed (those unemployed 27 weeks or longer) increased 433,000 to 4.4 million, comprising 29% of the total unemployed (the most since this series began in 1948). Since newly unemployed (less than 15 weeks) saw a decline in June, the median time unemployed saw a big increase to 17.9 weeks (also a record). The number of people working part-time for economic reasons remained level at 9 million. If you count this group and marginally attached workers, as well as the officially unemployed, the under-employment rate increased slightly from 16.4% to 16.5%.

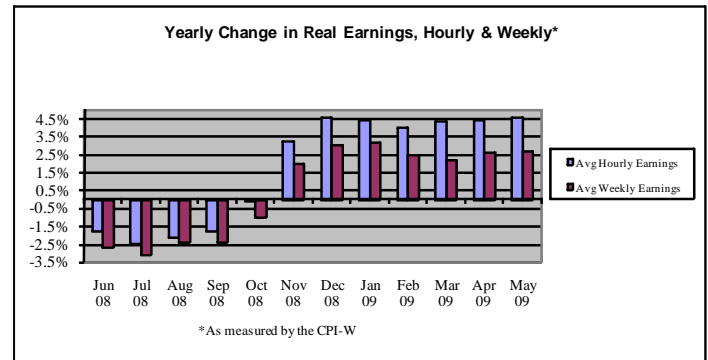


**Marginally Attached Workers Still at High Level**  
 2.2 million people were marginally attached to the labor force in June (not seasonally adjusted), up 618,000 from June of 2008. This population represents those who had looked for a job sometime in the last 12 months, but not in the last month and

therefore were not counted in the unemployment rate. Of these, 793,000 were discouraged workers in June (people not looking for work because they believed no jobs were available for them), up by 373,000 from a year ago.

**Hourly Wages Unchanged in June**

Average hourly wages of nonsupervisory and production workers in the private nonfarm sector were unchanged in June at \$18.53. Average weekly earnings fell to \$611.49, in part due to another decrease in average weekly hours worked (now 33.0). Over the past 12 months, average hourly earnings rose by 2.7% and weekly earnings increased only 0.9%. The Consumer Price Index for Urban Wage Earners (CPI-W), a measure of inflation, decreased 1.5% from May of 2008 to May of 2009, so real earnings are still increasing at an annualized rate of over 4% on an hourly basis and over 2% for weekly earnings.



**State Unemployment Data for May**

In state unemployment data for May (June is not available yet) payroll employment decreased in 39 states and increased in 11 states (and DC). Forty-eight states (and DC) recorded over-the-month employment rate increases, and now 13 states (and DC) have double-digit unemployment. California was again the state with the most net job losses (-68,900), followed by Florida(-61,000) and Texas (-24,700). The largest gains occurred in Massachusetts (4,900) and Connecticut (+3,600). Michigan again reported the highest unemployment rate (14.1%, up from 12.9%), followed by Oregon (12.4%), Rhode Island and South Carolina (both 12.1%). North Dakota and Nebraska both had the lowest unemployment rate (4%).