

Committee on Ways and Means

Unemployment rate down to 5.7 percent 278,000 New Jobs Since July

- The Bureau of Labor Statistics (BLS) announced this morning that the nation's unemployment rate dropped 0.2 to 5.7 percent, the lowest rate since October 2002 and a dramatic improvement from the 6.3 percent rate recorded in June 2003. For Hispanics and Latinos the unemployment rate dropped 0.8 points to 6.6 percent.
- While the economy has been adding jobs since July, only 1,000 jobs were created in December. The consensus among private economists was for 150,000 new jobs. Although significantly lower than expected, today's report suggests that productivity growth remains robust as the economy continues to increase total output.
- The divergence between the two BLS job surveys persists. The Household Survey indicates 2 million new jobs since December 2002 while the Employment Survey suggests a slight decline of 74,000.
- Job creation was evident in certain sectors. Construction (+14,000), wholesale trade (+45,000), and education and health services (+21,000) were categories of particular strength in December.
- Many sectors have been expanding for a long time. For example, construction has added 173,000 jobs since February. Over 250,000 jobs have been created in the professional and business services sector over the last year.

