

## Faltering Economy Deepens Job Losses

### Key Facts

- ❑ **Job losses reach 240,000 in October.**
- ❑ **Unemployment rate jumps to a near 15-year high of 6.5%.**
- ❑ **Despite weakness, workers' average hourly wages remain 3.5% ahead of last year.**

**Recent estimates show the economy contracted 0.3% during the third quarter as consumers tightened their belts in response to the current recessionary conditions.**

**The fallout from the U.S. sub-prime mortgage crisis has taken significant momentum out of the global economy. In response, governments around the world are taking dramatic and coordinated steps to restore confidence and stimulate growth.**

**While falling oil prices offer some relief to struggling consumers, it cannot offset the economic impacts of fewer jobs, declining home values and significant losses in the stock market.**

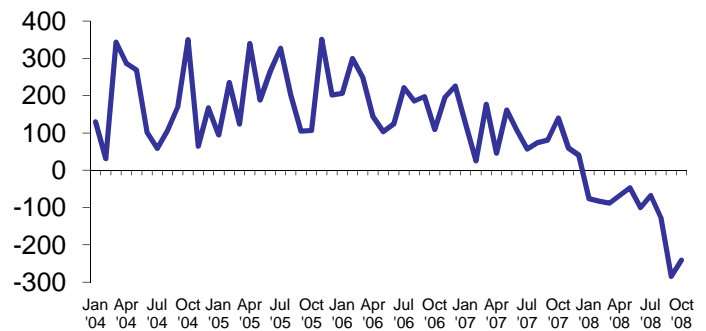
Growing concern over the depth and severity of the current economic slump caused employers to slash payrolls by a more-than-expected 240,000 last month. October's employment report also reflected a significant additional loss of 180,000 jobs during the previous two months. Since the beginning of the year, employment has now fallen by nearly 1.2 million jobs.

October's unemployment reached a level not seen since March 1994, jumping a full percentage point in just the past four months. The increased jobless rate is impacting all workers, but is hitting those without a high school education particularly hard. Unemployment among this group now exceeds 10% for the first time in more than fourteen years. Unemployment rates among college-degreed workers, while comparatively low at just 3.1%, has reached a five-year high.

Job losses remain widespread in October, with goods-producing employment falling 132,000 (includes 27,000 workers from the recently ended Boeing strike) and service-providing industries cutting another 108,000 employees. Hardest hit sectors include construction, durable goods manufacturing and retail trade, while employment in health care and professional/technical services continue to grow.

Faltering economic conditions are now clearly impacting the labor market with more than half of the 1.2 million job losses occurring in just the past three months. Analysts expect the economic slump to deepen in the current quarter before beginning to recover. As a result, employment conditions will remain weak until late 2009.

### Monthly Change in Non-Farm Employment (000's)



Data Source: Bureau of Labor Statistics

### Employment Overview

	Oct	Sept	Aug	July	June
Non-Farm Empl. Growth	-240K	-284K	-127K	-67K	-100K
Unemployment	6.5%	6.1%	6.1%	5.7%	5.5%

Data Source: Bureau of Labor Statistics

### The "Green" Economy: A Growing Source for New Jobs

Market demand for clean/renewable energy, coupled with the benefits (hard and soft) of adopting environmentally friendly business practices have led to a sharp increase in "green collar" job creation.

According to the ILO, green jobs involve work in agriculture, industry, services and administration that contribute to preserving or restoring the quality of the environment.

In the U.S., clean technologies now represent the third largest investment sector for venture capital funds, with some economists suggesting a \$100 billion investment could create up to two million new jobs and provide opportunities for both highly skilled and traditional blue collar workers.

Globally, the market for environmental products and services is projected to double by 2020 with half the market based in energy efficiency and the remainder focused on transportation, water supply and sanitation.

Data Sources: ILO (9/08), Crains Chicago Business (6/08), US News and World Report (10/08)