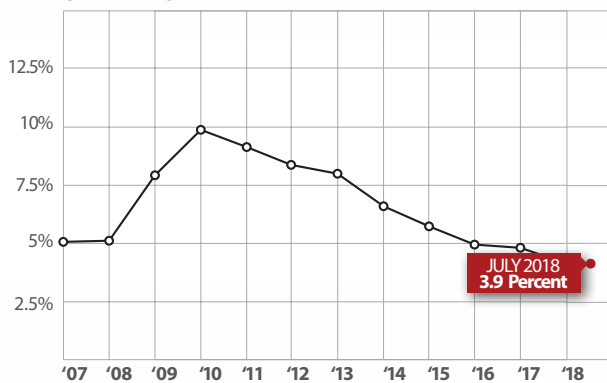


## International Association of Machinists and Aerospace Workers

AUGUST 3, 2018

### U.S. Added 157,000 Jobs in July; Unemployment Rate Drops to 3.9 percent

#### UNEMPLOYMENT RATE

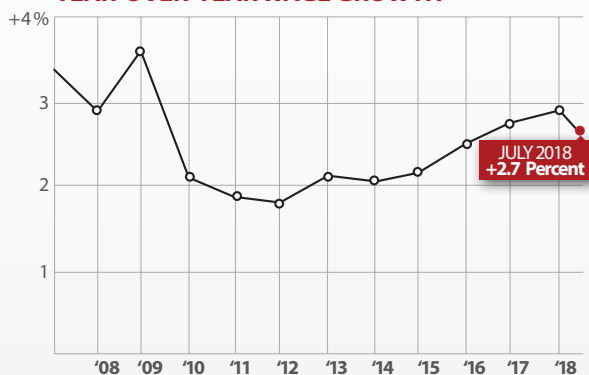


According to the United States Bureau of Labor Statistics, the U.S. employment rate fell to 3.9 percent in July 2018 from 4.0 in June 2018. This rate matched market expectations. Non-farm payrolls in the United States increased by 157 thousand jobs in July 2018 which was below market expectations of 190 thousand. The August job number is far below the revised 248 thousand job number for June 2018. Many economist forecast job gains will be average between 100,000 to 125,000 in the future.

In July, average hourly earnings for all employees on private nonfarm payrolls rose by 7 cents to \$27.05. Over the year, average hourly earnings have increased by 71 cents, or 2.7 percent.

Manufacturing added 37,000 jobs in July, with most of the gain in the durable goods component. Employment rose in transportation equipment (+13,000), machinery (+6,000), and electronic instruments (+2,000).

#### YEAR-OVER-YEAR WAGE GROWTH



Overall, at 3.8%, the unemployment rate in the manufacturing sector is below the national average. The current unemployment rate for durable goods (3.5%) decreased by .5 percentage points from the previous year while nondurable goods unemployment rate increased from 4.4% in July 2017 to 4.4% in July 2018.

Employment of production and nonsupervisory employees (a good measure for rank and file workers) showed that private sector remained steady at 104,461 jobs in July 2018 compared to 104,345 in June. In the goods-producing industry, manufacturing produced 8,952 jobs, while employment in durable goods (5,495) and nondurable goods (3,457) saw little change.

Average hourly earnings for private sector production and nonsupervisory employees increased by \$0.03, from in \$22.62 in June to \$22.65 in July, while annual wage growth rose by \$0.59 or 2.7%. Wages in the manufacturing sector also increased by 2.7% during this same period. Average hourly earnings rose annually in the durable (2.7%) and non-durable (2.6%) sectors, respectively.

Source: Bureau of Labor Statistics