

New England, U.S. jobs grow 1.2% over the year to November

Employment growth in New England weakened in November, as the region added a paltry 5,800 jobs (Exhibit 1). Combined with October's modest gains (21,700 jobs), this just restored the jobs tally to its July 2011 level.

Over-the-month employment changes were statistically insignificant in all states except New Hampshire, which posted a 3,200-job gain.

U.S. labor market gains

In contrast, the U.S. labor market appeared to gain momentum in recent months. Year-over-year to November, however, the pace of employment growth in the region (1.2 percent) exactly matched that for the U.S. Three New England states—Massachusetts, Vermont, and New Hampshire—posted growth rates that exceeded the national figure.

Positive employment growth (over-the-year to November) occurred in nearly all non-governmental sectors in New England, with the exception of financial activities, which saw zero growth. Within the region, professional and business services remained the leading sector and has seen accelerating job growth in recent months.

In both New England and the U.S. as a whole, government jobs continued to vanish but the pace of public-sector job losses moderated compared to the steep declines observed earlier in 2011.

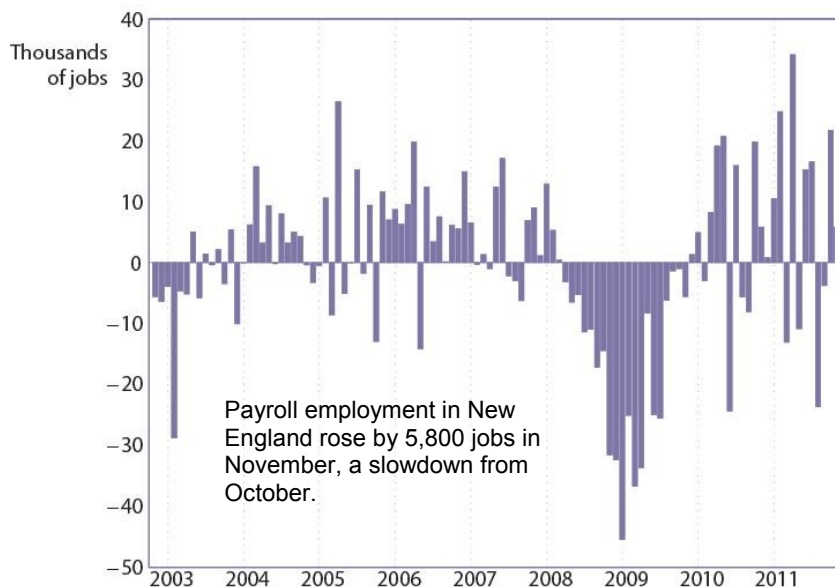
Unemployment down throughout region for year ending November

The latest unemployment data offer a slightly more positive view of the region's labor market. New England's unemployment rate dropped a full percentage point over-the-year to November 2011 to land at 7.3 percent (Exhibit 2).

Every state in the region experienced over-the-year declines in unemployment. Massachusetts enjoyed a region-high 1.3 percent drop in unemployment over the year, ending November at an even 7 percent.

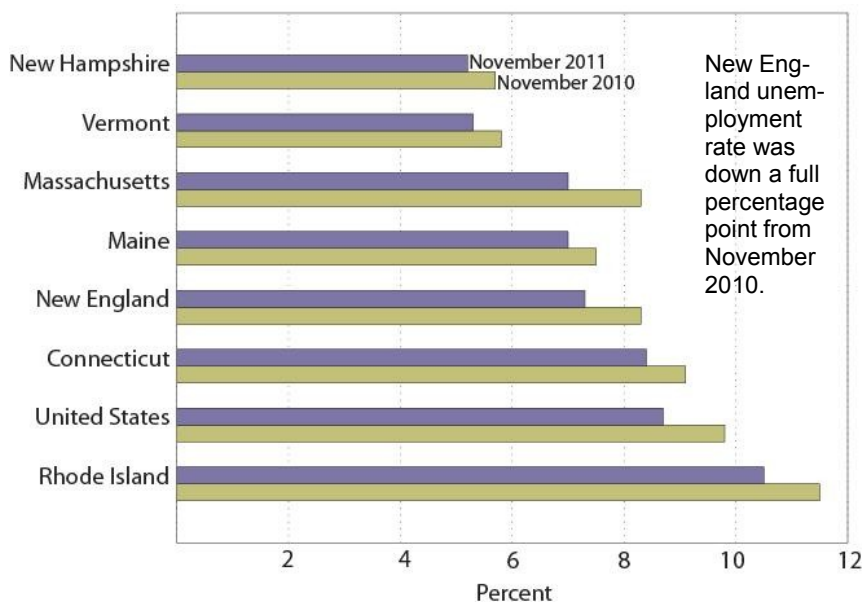
While declines in labor force participation rates in

Exhibit 1
Monthly Employment Change in New England



Source: U.S. Bureau of Labor Statistics/Haver Analytics. Data are seasonally adjusted.

Exhibit 2
Unemployment Rates



Source: U.S. Bureau of Labor Statistics/Haver Analytics. Data are seasonally adjusted.

the region (and in the U.S.) contributed to recent declines in unemployment, employment-to-population ratios improved in most New England states, both over-the-month and (less so) over-the-year to November 2011 (Exhibit 3, next page).

Most recent regional and national data available online www.bostonfed.org

Exhibit 3
Employment/Population
 (percent)

	Current (Nov.)	Last Report (Oct.)	One Year Ago (Nov. 2010)
Vermont	67.1	66.7	66.5
New Hampshire	66.2	66.0	65.9
Connecticut	61.9	61.5	62.2
New England	61.7	61.5	61.6
Massachusetts	60.8	60.6	60.5
Maine	60.6	60.4	60.5
Rhode Island	59.1	59.1	60.3
United States	58.5	58.4	58.2

Source: U.S. Bureau of Labor Statistics/Haver Analytics.

Initial claims for unemployment up in region, down for U.S.

Initial claims for unemployment insurance (Exhibit 4) point to renewed labor market weakness in New England. Average weekly initial claims increased 11.7 percent for the year ended in November. For the U.S., average weekly initial claims fell 7.8 percent over the year.

Consumer price inflation cools in New England and nationally

The Boston-area consumer price index rose 2.9 percent over the year to November, after rising 3.7 percent over the year to September (Exhibit 5). Consumer prices for the U.S. climbed 3.4 percent over the year to November, down from 3.9 percent in September.

MA business confidence back to spring 2011 level

The Massachusetts Business Confidence Index (Exhibit 6) climbed to 51 in December, its highest level since May 2011 (50 is neutral).

New England Economic Snapshot

New England Economic Snapshot is published by the Federal Reserve Bank of Boston's Financial Institution Relations & Outreach (FIRO) program and contains information from the Bank's Research Department.

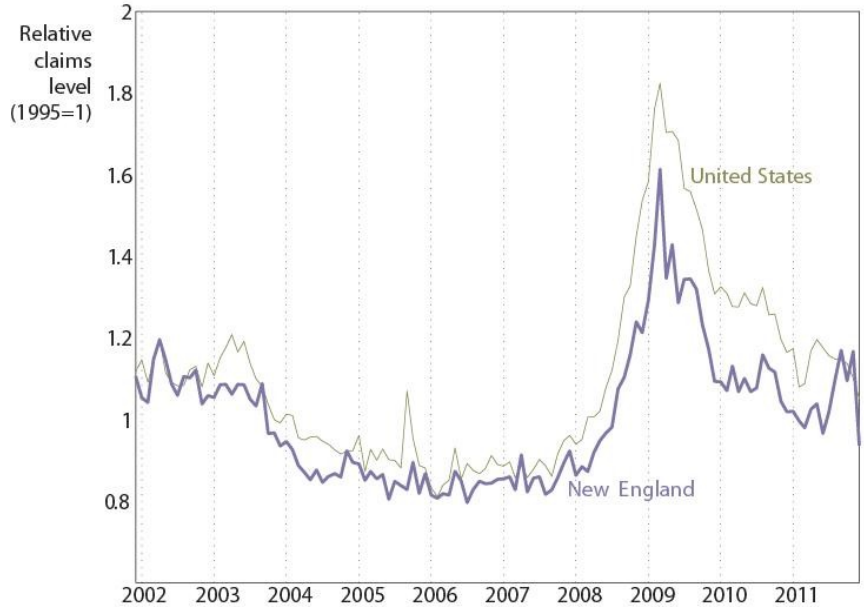
New England Economic Snapshot aggregates data released in the six weeks before January 13, 2012. Use of these data does not necessarily imply the Bank's endorsement. More current and detailed data on the New England economy are available at www.bostonfed.org/economic/nee/.

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Exhibit 4
Initial Claims for Unemployment Insurance



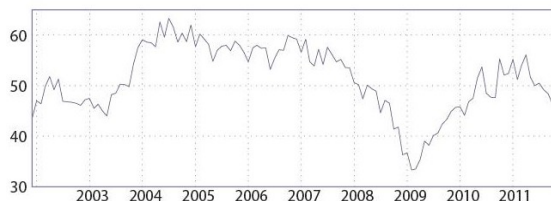
Source: U.S. Department of Labor and Federal Reserve Bank of Boston (New England), and U.S. Department of Labor and Federal Reserve Board of Governors (United States). Data are seasonally adjusted.

Exhibit 5
Consumer Price Index



Source: U.S. Bureau of Labor Statistics/Haver Analytics.

Exhibit 6
Massachusetts Business Confidence



Source: Associated Industries of Massachusetts.

Nationally, consumer confidence rose to its highest level since April 2011.

—Conference Board