



# Economic Commentary

## March 7, 2008



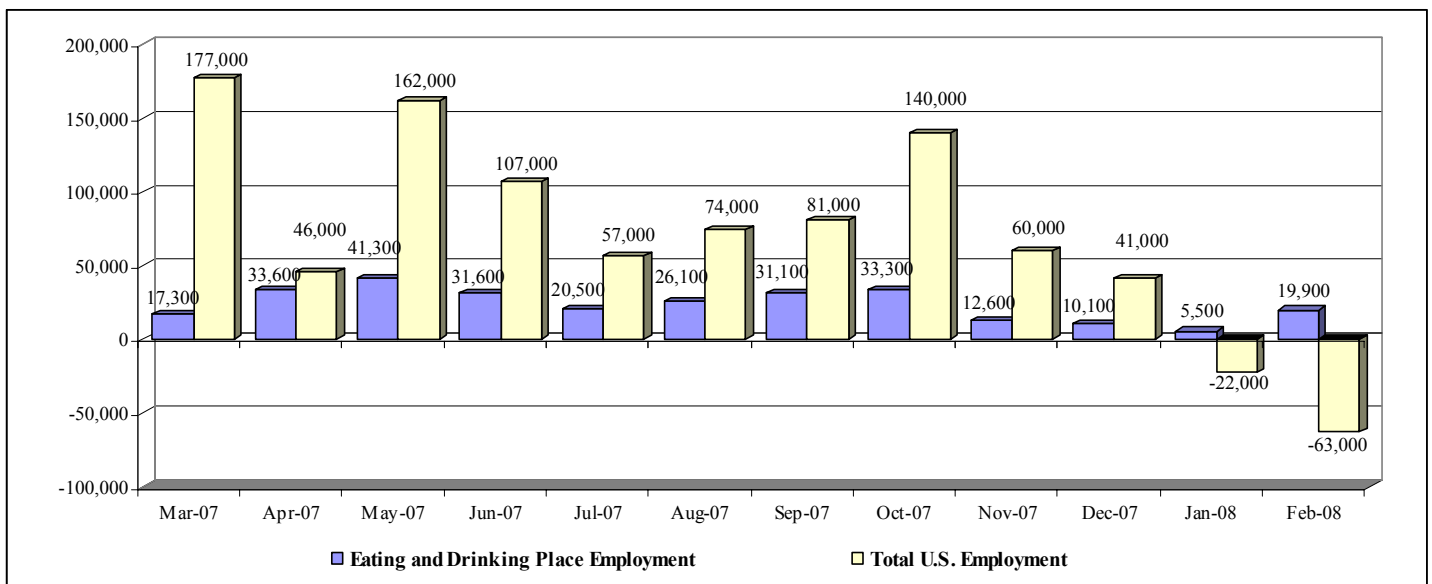
### National Economy Shed Jobs for the Second Consecutive Month in February

- In a sign that the nation is most likely in a jobs recession, the U.S. economy lost jobs for the second consecutive month in February. The economy shed 63,000 jobs in February on a seasonally-adjusted basis, which followed a decline of 22,000 jobs in January. The losses in January and February came on the heels of 52 consecutive monthly gains, during which the national economy added more than 8.2 million jobs.
- Public sector payrolls rose by 38,000 in February, while the private sector cut 101,000 jobs. February marked the third consecutive month of private sector job losses, a decline of 141,000 jobs. Within the private sector, goods-producing employers cut 89,000 jobs, while service-producing employers cut 12,000 jobs. February represented the first private-sector service-producing employment decline in nearly five years, which indicates that the economic weakness is now spreading beyond the goods-producing sectors.
- On an industry level, the Health Care and Social Assistance sector led the way in February, adding a strong 37,000 jobs on a seasonally-adjusted basis. In contrast, the Manufacturing sector lost 52,000 jobs in February, its 20th consecutive employment decline for a total of 511,000 jobs. The Construction sector cut 39,000 jobs in February, its 8th consecutive decline for a total of 255,000 jobs.

### Restaurant Industry Job Growth Remains Solid

- In contrast to the trends in the overall economy, the restaurant industry continued to add jobs at a steady pace in February. Eating and drinking places – the primary component of the restaurant industry which accounts for roughly three-fourths of the total restaurant and foodservice workforce – added 19,900 jobs in February on a seasonally-adjusted basis, their 17th consecutive monthly gain.
- Overall, during the last 17 months, eating and drinking places added nearly 414,000 jobs, or roughly one out of every four net new jobs added to the national economy during that same period.

**Monthly Job Growth: Eating and Drinking Places vs. Total National Economy**



Source: National Restaurant Association analysis of Bureau of Labor Statistics data