

The June Review

The health care business and health economics are fertile fields for special cases and unconventional results. Bill Goodman chronicles the factors influencing hospital employment and finds that such forces as the demographics of aging and the march of technology may have more to say about the level of hospital employment than does the business cycle.

Shirley Tsai and Lucilla Tan examine how differently than other consumer units Asian households spend their money on food. They find Asian households have higher levels of spending on fresh fruits and vegetables, rice, and seafood and lower levels of spending on oils and dairy products.

Christopher J. O'Leary outlines the impact of changing administrative procedures on recipients' compliance with job search and receipt of reemployment services. These, in turn, may impact the duration of unemployment and the unemployment rate.

Daniel H. Weinberg explains the income measures in the Annual Social and Economic Supplement to the Current Population Survey.

Richard Bavier tests the impact of the treatment of medical spending by individuals when determining their poverty status.

Lawrence H. Leith contributes a first-person report on economic dynamism in China.

Veterans and unemployment

In August 2005, the unemployment rate for all veterans of the U.S. Armed Forces was 3.9 percent. The rate for nonveterans was 4.7 percent. The unemployment rate among the 3.9 million veterans of the Gulf War-era (service from August 1990 forward) was 5.2 percent. Young Gulf War-era veterans,

those 18 to 24 years old, had a higher unemployment rate (18.7 percent) than young nonveterans (9.9 percent). Older Gulf War-era veterans (25 to 54 years old) had an unemployment rate very similar to their nonveteran peers—about 4 percent.

The survey of veterans was conducted for the Bureau of Labor Statistics by the U.S. Census Bureau as a special supplement to the August 2005 Current Population Survey. The 2005 supplement was co-sponsored by the U.S. Department of Veterans Affairs and the U.S. Department of Labor's Veterans Employment and Training Service. The 2005 supplement is the first that separately identifies Gulf War-era veterans. To learn more, see "Employment Situation of Veterans: August 2005," USDL 06-897.

A century well spent

The material well-being of families in the United States improved dramatically during the 20th century, as demonstrated by the change over time in the percentage of expenditures allocated for food, clothing, and housing. In 1901, the average U.S. family devoted 79.8 percent of its spending to these necessities, while families in New York City spent 80.3 percent, and families in Boston allocated 86.0 percent. By 2002-03, allocations on necessities had been reduced substantially; for U.S. families to 50.1 percent of spending, for New York City families to 56.7 percent, and for Boston families to 53.8 percent.

The continued and significant decline over the past century in the share of expenditures allocated for food perhaps best reflects improved living standards. In 1901, U.S. households allotted 42.5 percent of their expenditures for food; by 2002-03, food's share of spending had dropped to just 13.1 percent. For New York City households, the expenditure share

had declined from 43.7 percent to 13.9 percent; for Boston households, the decline was from 41.7 percent to 13.5 percent.

Find out more in *100 Years of U.S. Consumer Spending: Data for the Nation, New York City, and Boston*, BLS Report 991. This report offers a new approach to the use of Consumer Expenditure Survey data. Normally, the survey presents an in-depth look at American households at a specific point in time, the reference period being a calendar year. Authors Michael L. Dolfman and Denis M. McSweeney, after warning readers of the methodological difficulties, use consumer expenditure data over time and draw on information from decennial census reports to present a 100-year history of significant changes in consumer spending, economic status, and family demographics.

Earnings in big occupations

Among occupations with more than 2 million workers in May 2005, registered nurses had the highest average hourly earnings—\$27.35. For other large occupations, average hourly earnings ranged from \$7.48 for combined food preparation and serving workers (including fast food) to \$14.27 for customer service representatives. Other occupations with more than 2 million workers were retail salespersons; cashiers; general office clerks; laborers and freight, stock, and material movers; waiters and waitresses; and janitors and cleaners, except maids and housekeeping cleaners. □

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