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Statement of

Keith Hall
Commissioner
Bureau of Labor Statistics

before the

Joint Economic Committee

UNITED STATES CONGRESS

Friday, December 3, 2010

Madam Chair and Members of the Committee:

Thank you for the opportunity to discuss the employment and unemployment data we released this morning.

Nonfarm payroll employment was essentially unchanged in November (+39,000), and the unemployment rate edged up to 9.8 percent. The jobless rate had been 9.6 percent in each of the prior 3 months. Payroll employment has increased by an average of 86,000 per month since its recent low point in December 2009. In November, temporary help services and health care added jobs, while employment fell in retail trade.

Temporary help services employment increased by 40,000 over the month. Since the industry's most recent low in September 2009, employment has grown by 494,000.

In November, health care employment rose by 19,000, including a gain of 8,000 in hospitals. Thus far in 2010, the health care industry has added an average of 21,000 jobs per month, about in line with average monthly job growth in 2009.

Retail trade employment decreased by 28,000 in November, including declines in department stores (-9,000) and in furniture and home furnishings stores (-5,000). Other major service-providing industries showed little employment change in November.

Manufacturing employment changed little over the month. Following job growth earlier in 2010, factory employment has been relatively flat, on net, since May. Elsewhere in the goods-producing sector, construction employment also changed little in November, while mining employment continued to trend up.

Average hourly earnings of all employees on private nonfarm payrolls were up by 1 cent in November to \$22.75. Over the past 12 months, average hourly earnings have risen by 1.6 percent. From October 2009 to October 2010, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 1.2 percent.

Turning now to measures from the survey of households, the unemployment rate edged up to 9.8 percent in November. Of the 15.1 million persons unemployed in November, 41.9 percent had been jobless for 27 weeks or more. That proportion has been essentially unchanged since August. Among the employed, there were 9.0 million individuals working part time in November who preferred full-time work, about the same as in October.

The labor force participation rate was unchanged at 64.5 percent in November. Among those outside the labor force--that is, persons neither working nor looking for work--the number of discouraged workers in November was 1.3 million, up from 861,000 a year earlier. These individuals were not looking for work because they believe no jobs are available for them.

In summary, the unemployment rate edged up to 9.8 percent in November, and payroll employment was essentially unchanged.

My colleagues and I now would be glad to answer your questions.