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Statement of

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Commissioner  
Bureau of Labor Statistics

before the

Joint Economic Committee

UNITED STATES CONGRESS

Friday, April 4, 2014

Mr. Chairman and Members of the Committee:

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

Nonfarm payroll employment rose by 192,000 in March, and the unemployment rate was unchanged at 6.7 percent. Employment increased in professional and business services, in health care, and in mining and logging.

Incorporating the revisions for January and February, which increased total nonfarm employment by 37,000 on net, monthly job gains have averaged 178,000 over the past 3 months. In the 12 months prior to March, employment growth averaged 183,000 per month.

All of the net job growth in March occurred in the private sector, which now has exceeded its employment level in December 2007, when the most recent recession began. The private sector lost 8.8 million jobs during the labor market downturn and has gained 8.9 million since the employment low in February 2010. However, government employment is down since the recession began (-535,000), and therefore total nonfarm employment remains below (-422,000) its December 2007 level.

In March, employment in professional and business services rose (+57,000) in line with the prior 12-month average. Within the industry, temporary help services added 29,000 jobs in March. Employment growth in temporary help services had averaged 20,000 per month in the prior 12 months.

Health care employment rose by 19,000 in March, with gains in ambulatory health care services (which includes home health care and outpatient care centers). In the prior 12 months, job growth in health care had averaged 17,000 per month, with most of the growth occurring in ambulatory care. In March, nursing care facilities lost 5,000 jobs.

Employment in mining and logging rose by 7,000 in March, led by gains in support activities for mining (+5,000). Mining and logging has added 38,000 jobs over the year.

Employment in food services and drinking places continued to trend up in March (+30,000). This industry has added 323,000 jobs over the year.

Employment continued to trend up in construction in March (+19,000) and is up by 151,000 over the past 12 months.

Employment in other major industries, including manufacturing, wholesale trade, and retail trade, changed little in March.

Average hourly earnings of all employees on private nonfarm payrolls edged lower by 1 cent in March, after rising by 9 cents in February. Over the past 12 months, average hourly earnings have risen by 2.1 percent. From February 2013 to February 2014, the Consumer Price Index for All Urban Consumers (CPI-U) rose by 1.1 percent.

In March, the average workweek for all employees on private nonfarm payrolls increased to 34.5 hours, offsetting a net decline over the prior 3 months.

Turning now to our survey of households, the unemployment rate, at 6.7 percent, was unchanged in March, and the number of unemployed persons remained at 10.5 million. The number of unemployed persons who had been jobless for 27 weeks or more was little changed (3.7 million). These individuals accounted for 35.8 percent of the unemployed.

Both the civilian labor force and total employment increased in March. The labor force participation rate (63.2 percent) and the employment-population ratio (58.9 percent) changed little over the month.

Among persons who were neither working nor looking for work in March, 2.2 million were classified as marginally attached to the labor force, little changed from a year earlier. (These individuals had not looked for work in the 4 weeks prior to the survey but wanted a job, were available for work, and had looked for a job within the last 12 months.) The number of discouraged workers, a subset of the marginally attached who believed that no jobs were available for them, edged down over the year to 698,000 in March.

In summary, employment rose by 192,000 in March, and the unemployment rate was unchanged at 6.7 percent.

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