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Statement of

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Nonfarm payroll employment rose by 209,000 in July, and the unemployment rate was little changed at 6.2 percent. Over the month, employment increased in professional and business services, manufacturing, retail trade, and construction.

Incorporating the revisions for May and June, which increased total nonfarm employment by 15,000, monthly job gains have averaged 245,000 over the past 3 months. In the 12 months prior to July, employment growth averaged 209,000 per month.

Professional and business services employment rose by 47,000 in July. Employment continued to trend up across much of the industry, including a gain of 9,000 in architectural and engineering services. Over the year, employment in professional and business services has expanded by 648,000.

Manufacturing employment rose by 28,000 in July, with increases in motor vehicles and parts (+15,000) and in furniture (+3,000).

Employment in retail trade rose by 27,000 in July, with small gains spread through much of the industry. In the past 12 months, retail trade has added 298,000 jobs.

Construction employment increased by 22,000 in July, with residential builders contributing 6,000 of the gain. Elsewhere in the goods-producing sector, mining employment rose by 8,000.

Employment in social assistance was up by 18,000 in July. (This industry includes child day care and services for the elderly and persons with disabilities.) Health care employment changed little over the month, as job gains in ambulatory health care services (+21,000) were largely offset by losses in hospitals (-7,000) and nursing care facilities (-6,000).

Average hourly earnings of all employees on private nonfarm payrolls edged up by 1 cent to \$24.45 in July, following an increase of 6 cents in June. Over the 12 months ending in July, average hourly earnings rose by 2.0 percent. From June 2013 to June 2014, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 2.1 percent.

Turning to the data from the survey of households, the unemployment rate was 6.2 percent in July, little changed over the month but down from 7.3 percent a year earlier.

There were 9.7 million unemployed persons in July, little different from June. Over the year, the number of unemployed has fallen by 1.7 million. Almost two-thirds of this decline has been among the long-term unemployed (those looking for work for 27 weeks or more).

The labor force participation rate, at 62.9 percent, changed little in July and has been essentially unchanged since April.

The employment-population ratio was unchanged at 59.0 percent in July. Over the year, this measure has edged up by 0.3 percentage point.

Of the 146.4 million people employed in July, 7.5 million were employed part time for economic reasons, the same as in the prior month. (These individuals, also referred to as involuntary part-time workers, would have preferred full-time employment, but had their hours cut or were unable to find full-time work.) Involuntary part-time employment has declined by 669,000 over the past 12 months.

Among persons who were neither working nor looking for work in July, about 2.2 million were classified as marginally attached to the labor force, down by 236,000 over the year. (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, was 741,000 in July, down by 247,000 from a year earlier.

In summary, nonfarm payroll employment rose by 209,000 in July, and the unemployment rate was little changed at 6.2 percent.