Nonfarm payroll employment rose by 156,000 in December. Over the year, job growth totaled 2.2 million, down from a gain of 2.7 million in 2015. In December, health care and social assistance added jobs.

The employment change for November revised up from +178,000 to +204,000, and the change for October revised down from +142,000 to +135,000. Incorporating revisions, job growth has averaged 165,000 per month over the past 3 months.

Average hourly earnings for all employees on private, nonfarm payrolls rose by 10 cents in December, after edging down by 2 cents in November. Hourly earnings are up 2.9 percent over the year. In December, average weekly hours, at 34.3 hours, were unchanged.

**+70,000 Education and Health Services**

Employment in health care rose by 43,000 in December. In 2016, employment in health care expanded by 422,000, compared with 472,000 jobs gained in 2015.

In December, employment in ambulatory health care services increased by 30,000, and employment in hospitals rose by 11,000. Over the year, employment in hospitals rose by 140,000, down from 177,000 jobs added in 2015.

Employment in social assistance rose by 20,000 in December, with the gain concentrated in individual and family services (+21,000). Social assistance added 92,000 jobs over the year; employment had increased by 162,000 in 2015. Individual and family services accounted for most of these gains.
Employment in total nonfarm
Over-the-month change, December 2016
Seasonally adjusted, in thousands

+15,000 Transportation and warehousing
In December, employment continued to trend up in transportation and warehousing (+15,000). Within the industry, couriers and messengers added 12,000 jobs. Over the year, transportation and warehousing added 62,000 jobs.

+13,000 Financial activities
Employment continued to trend up financial activities (+13,000). In 2016, employment in this industry rose by 159,000, similar to growth in the prior year. As of December, employment in financial activities was still 45,000 below its last peak reached in December 2006.

+17,000 Manufacturing
In December, employment edged up in manufacturing (+17,000). Durable goods manufacturing added 15,000 jobs. Since reaching a recent employment peak in January, manufacturers have lost 63,000 jobs.

+6,000 Retail Trade
Employment in retail trade changed little in December. General merchandise stores lost 24,000 jobs following an increase of 35,000 in November. The December loss was more than offset by small employment changes elsewhere in retail trade.
Employment in mining changed little in December (-2,000). Since reaching a peak in September 2014, mining employment has declined by 221,000 or 26 percent.

Despite this long-run decline, the employment trend in mining has flattened out in recent months, as indicators have signaled improvement. Domestic oil-rig counts increased 12 percent in December, and the price of West Texas Intermediate oil rose 21.5 percent over the month.
Construction employment was essentially flat in December (-3,000). Over the year, the industry added 102,000 jobs, down from 296,000 jobs gained in 2015.

Employment in residential specialty trade contractors edged up in December (+12,000). The increase, however, was offset by weakness elsewhere in construction.
In December, manufacturing employment edged up by 17,000. Durable goods added 15,000 jobs. Since reaching an employment peak in January, manufacturing has lost 63,000 jobs.

The 1-month diffusion index increased 4.4 points to 48.7 in December. A value below 50 indicates that more manufacturing industries are losing jobs than adding them.

Average weekly hours in manufacturing increased by 0.1 hour to 40.7 hours for all employees and were unchanged at 41.8 hours for production employees.
Employment in wholesale trade changed little in December (+2,000). In 2016, the industry added 52,000 jobs, with just over half of those gains occurring in nondurable goods.
Retail Trade

Employment in retail trade was essentially unchanged in December (+6,000). The industry gained an average of 21,000 jobs per month, totaling 257,000 in 2016. Job growth had averaged 24,000 per month in 2015.

In December, general merchandise stores lost 24,000 jobs, partially offsetting November’s gain. Over 2 months, the employment change is in line with recent trends. In December, employment declined in both department stores (-6,000) and other general merchandise stores (-18,000). In 2016, employment in general merchandise stores edged up by 76,000.

The industries within retail trade that usually increase hiring for the holidays added 697,000 jobs over the past 3 months, not seasonally adjusted. This employment buildup is below the average seasonal buildup of the prior 5 years, and reflects little net employment change, seasonally adjusted, in retail trade during the fourth quarter of 2016.

### Retail Trade¹

<table>
<thead>
<tr>
<th>Year</th>
<th>Over-the-month change</th>
<th>Total Holiday Buildup</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>138</td>
<td>394</td>
</tr>
<tr>
<td>2012</td>
<td>144</td>
<td>488</td>
</tr>
<tr>
<td>2013</td>
<td>160</td>
<td>450</td>
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<tr>
<td>2014</td>
<td>190</td>
<td>413</td>
</tr>
<tr>
<td>2015</td>
<td>188</td>
<td>406</td>
</tr>
<tr>
<td>Average</td>
<td>164</td>
<td>430</td>
</tr>
</tbody>
</table>

1 Includes employment only from furniture and home furnishings stores, electronics and appliance stores, food and beverage stores, health and personal care stores, clothing and clothing accessories stores, sporting goods, hobby, book, and music stores, general merchandise stores, miscellaneous store retailers, and nonstore retailers.

² Rounded to the nearest thousand

³ Total holiday buildup as a percent of the September level
Employment in transportation and warehousing continued to trend up in December (+15,000), driven primarily by gains in courier and messengers (+12,000).

In 2016, transportation and warehousing added 62,000 jobs, down from 110,000 jobs added in 2015. These employment gains were driven primarily by gains in couriers and messengers and warehousing and storage.
Employment in utilities was essentially unchanged in December and over the year.

Shaded area represents recession as denoted by the National Bureau of Economic Research.
Most recent 2 months of data are preliminary.
* denotes significance
Information employment changed little in December (-6,000). In 2016, this industry saw little net employment change.
Employment in financial activities continued to trend up in December (+13,000). Of the 159,000 jobs added in 2016; credit intermediation and related activities accounted for 53,000 of the gain, followed by real estate and rental and leasing (+49,000) and insurance carriers and related activities (+47,000).

In December, employment in financial activities was 45,000 shy of its most recent employment peak in December 2006.
Employment in professional and business services changed little in December (+15,000), below its prior 12-month average change of 47,000 per month.

Employment in professional and technical services continued to trend up in December (+7,000), but at a slower pace than its prior 3-, 6-, and 12-month averages. Management and technical consulting services (+6,000) and computer systems design and related services (+4,000) continued to add jobs. Accounting and bookkeeping services lost 13,000 jobs in December, offsetting a gain of similar magnitude in November.

Within administrative and waste services, employment increased in services to buildings and dwelling places in December (+11,000). This gain was offset by weakness in temporary help services (-16,000).

In 2016, professional and business services added 522,000 jobs, approximately 100,000 less than the number added in 2015. Administrative and waste services accounted for the majority of the deceleration in 2016, although job growth in professional and technical services and management of companies and enterprises also did not meet 2015 gains. Over the year, administrative and waste services added 200,000 jobs, compared to an increase of 271,000 in 2015. While employment in most of the component industries remained relatively on-track with 2015 trends, weakness was evident in employment services little employment change in 2016 (+40,000), versus an increase of 117,000 in 2015.
Private education and health services posted a strong gain of 70,000 jobs in December—the second-best month of job growth in 2016. This industry sector added 593,000 jobs in 2016, or an average 49,000 jobs a month. This compares to 701,000 jobs, or 58,000 jobs per month, in 2015. Job growth in hospitals slowed in 2016; gains totaled 140,000 compared to 177,000 jobs added in 2015.

Health care added 43,000 jobs in December. Most of its major component industries showed growth near or above their prior 12-month average changes. Over the month, ambulatory health care services gained 30,000 jobs, while hospitals added 11,000 jobs.

Social assistance added 20,000 jobs in December, essentially all in individual and family services (+21,000).
Employment in leisure and hospitality continued to trend up in December (+24,000). In 2016, this industry added 295,000 jobs, after adding 441,000 in 2015. In December, employment in amusements, gambling, and recreation edged down (-12,000), partially offsetting a gain in November (+16,000).

Employment trended up in food services and drinking places in December (+30,000). This change coincides with strength seen in the Consumer Confidence Index (CCI).

Food services and drinking places added 247,000 jobs in 2016, down from an increase of 359,000 jobs in 2015.
Employment in other services changed little in December (-8,000). This industry added 57,000 jobs over the year, a change of 1.0 percent. Personal and laundry services accounted for 60 percent of the job gains over this 12-month period.
Government employment continued its upward trend in December (+12,000). Government added 183,000 jobs in 2016, almost double the number of jobs added in 2015. Local government accounted for 145,000 of the jobs gained in 2016.

**Employment in government**


Seasonally adjusted, in thousands

![Graph showing employment in government from January 2013 to December 2016](image)
