
Transmission of material in this statement is embargoed until
8:30 a.m. (ET) January 6, 2023.

Statement of

William W. Beach
Commissioner
Bureau of Labor Statistics

Friday, January 6, 2023

Nonfarm payroll employment rose by 223,000 in December, and the unemployment rate edged down to 3.5 percent. Notable job gains occurred in leisure and hospitality, health care, construction, and social assistance.

Payroll employment increased by an average of 375,000 per month in 2022, for a total gain of 4.5 million. In comparison, job gains averaged 562,000 per month in 2021, for a total gain of 6.7 million.

Leisure and hospitality continued to add jobs in December (+67,000). Within the industry, employment continued to trend up in food services and drinking places (+26,000); amusements, gambling, and recreation (+25,000); and accommodation (+10,000). Employment in leisure and hospitality grew by an average of 79,000 per month in 2022, substantially less than the 2021 average monthly increase of 196,000. Employment in the industry

is down by 932,000, or 5.5 percent, from its pre-pandemic February 2020 level.

Health care employment grew by 55,000 in December, with gains in ambulatory health care services (+30,000), hospitals (+16,000), and nursing and residential care facilities (+9,000). In 2022, health care employment increased by an average of 49,000 per month, considerably above the average monthly gain of 9,000 in 2021.

Employment in construction grew by 28,000 in December, with more than half of the gain in specialty trade contractors (+17,000). Construction added an average of 19,000 jobs per month in 2022, little different than the average of 16,000 per month in 2021.

In December, employment in social assistance rose by 20,000. Employment in individual and family services trended up over the month (+10,000). Employment in social assistance increased by an average of 17,000 per month in 2022, compared with the average of 13,000 per month in 2021.

Employment in the other services industry continued to trend up in December (+14,000). The industry added an average of 14,000 jobs per month in 2022, lower than the average of 24,000 per month in 2021. In December, employment in other services is below its February 2020 level by 174,000, or 2.9 percent.

In December, mining employment increased by 4,000, reflecting a gain of 5,000 in support activities for mining. Since a recent low in February 2021, mining employment has grown by 104,000.

Employment in retail trade changed little in December (+9,000). Job growth in retail trade averaged 16,000 per month in 2022, less than half the average growth of 35,000 jobs per month in 2021.

In December, manufacturing employment was little changed (+8,000). Job gains in durable goods (+24,000) were partially offset by losses in nondurable goods (-16,000). Manufacturing employment increased by an average of 32,000 per month in 2022, little different from the average of 30,000 per month in 2021.

In December, employment in transportation and warehousing changed little (+5,000). Air transportation (+3,000) added jobs over the month, while employment continued to trend down in couriers and messengers (-4,000) and in warehousing and storage (-3,000). In 2022, average job growth in transportation and warehousing (+17,000) was about half the average job growth in 2021 (+36,000).

In December, government employment was essentially unchanged (+3,000). Employment in state government education declined by 24,000, reflecting strike activity among university employees.

Employment in professional and business services changed little in December (-6,000). Temporary help services lost 35,000 jobs over the month and has lost 111,000 jobs since July. Job growth in professional and business services averaged 50,000 per month in 2022, roughly half of the average monthly growth in 2021 (+94,000).

Employment also changed little over the month in other major industries, including wholesale trade, information, and financial activities.

In December, the average workweek for all private-sector workers declined by 0.1 hour to 34.3 hours. The average workweek for manufacturing was little changed at 40.1 hours.

Average hourly earnings of all employees on private nonfarm payrolls increased by 9 cents, or 0.3 percent, to \$32.82 in December. Over the past 12 months, average hourly earnings have increased by 4.6 percent.

Turning to the labor market indicators from the household survey, the unemployment rate edged down to 3.5 percent in December and has been in a narrow range of 3.5 percent to 3.7 percent since March. The number of unemployed people, at 5.7 million, also edged down over the month.

In December, the unemployment rate for Whites (3.0 percent) decreased. The jobless rates for adult men (3.1 percent), adult women (3.2 percent), teenagers (10.4 percent),

Blacks (5.7 percent), Asians (2.4 percent), and Hispanics (4.1 percent) showed little or no change over the month.

The number of people unemployed for 27 weeks or more declined by 146,000 to 1.1 million in December. This measure is down from 2.0 million a year earlier. These long-term unemployed accounted for 18.5 percent of all unemployed people in December.

The employment-population ratio increased by 0.2 percentage point over the month to 60.1 percent. The labor force participation rate was little changed at 62.3 percent. These measures have shown little net change since early 2022 and are below their February 2020 levels (by 1.0 percentage point each).

In December, the number of people working part time for economic reasons was little changed at 3.9 million.

The number of people not in the labor force who currently want a job declined by 352,000 in December to 5.2 million. This measure is little different from its February 2020 level of 5.1 million.

Among those who were not in the labor force but wanted a job, the number of people marginally attached to the labor force decreased by 231,000 to 1.3 million in December. (People who are marginally attached to the labor force had not actively 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 essentially unchanged at 410,000 in December.

Following our regular annual practice, seasonal adjustment factors for the household survey data have been updated with the release of December data. Seasonally adjusted estimates going back 5 years--to January 2018--were subject to revision.

As previously announced, this is the final Commissioner's Statement on the Employment Situation. (The Employment Situation news release will continue to be published.) Archived Commissioner's Statements on the Employment Situation for 1994-2022 can be found at www.bls.gov/bls/news-release/jec.htm.

In summary, nonfarm payroll employment rose by 223,000 in December, and the unemployment rate edged down to 3.5 percent.