Statement of Erica L. Groshen
Commissioner
Bureau of Labor Statistics

Friday, May 2, 2014

Nonfarm payroll employment rose by 288,000 in April, and the unemployment rate fell by 0.4 percentage point to 6.3 percent. Job gains were widespread, led by employment growth in professional and business services, retail trade, food services and drinking places, and construction.

Incorporating the revisions for February and March, which increased total nonfarm employment by 36,000 on net, monthly job gains have averaged 238,000 over the past 3 months. In the 12 months prior to April, employment growth averaged 190,000 per month.

Employment in professional and business services rose by 75,000 over the month. The industry had added an average of 55,000 jobs per month in the 12 months prior to April. Job growth continued in temporary help services, which was up by
24,000 over the month. Employment increased in management of companies (+12,000) and in computer systems design (+9,000).

Retail trade employment rose by 35,000 in April, with modest gains throughout much of the industry. Employment in retail trade has grown by 327,000 over the past 12 months. Wholesale trade employment increased by 16,000 in April.

Employment continued to expand in food services and drinking places in April (+33,000). The industry has added 337,000 jobs over the year.

Employment in construction rose by 32,000 in April. Construction has added 189,000 jobs over the past year, with almost three-fourths of the gain occurring over the past 6 months. In April, job gains occurred in heavy construction and in residential building.

Health care added 19,000 jobs in April, in line with average job growth over the prior 12 months.

Mining employment rose by 10,000 in April, largely in support activities for mining (+7,000). April’s job growth in mining was much stronger than the average monthly employment change (+3,000) over the prior 12 months.

Average hourly earnings of all employees on private nonfarm payrolls were unchanged at $24.31 in April. Over the past 12 months, average hourly earnings have risen by 1.9 percent. From
March 2013 to March 2014, the Consumer Price Index for All Urban Consumers (CPI-U) rose by 1.5 percent.

Turning now to our survey of households, the unemployment rate fell by 0.4 percentage point to 6.3 percent in April. The number of unemployed persons fell by 733,000 to 9.8 million. Both measures had shown little movement over the prior 4 months. Over the year, the jobless rate declined by 1.2 percentage points, and the number of unemployed persons decreased by 1.9 million.

In April, the number of unemployed reentrants and new entrants declined by 417,000 and 126,000, respectively. Reentrants are persons who previously worked but were not in the labor force prior to beginning their job search, and new entrants are unemployed persons who have never worked.

The civilian labor force dropped by 806,000 in April, following a gain (+503,000) in March. The labor force participation rate fell by 0.4 percentage point to 62.8 percent in April. The participation rate has shown no clear trend in recent months and currently is the same as it was this past October.

Among persons not in the labor force in April—that is, neither working nor looking for work—2.2 million were classified as marginally attached to the labor force, down slightly 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, was 783,000 in April, little changed from a year earlier.

Our analysis of the household survey data suggests that the April labor force decline was due mostly to fewer people entering the labor force than usual, rather than to more people exiting the labor force. As always, additional months of data may provide further insights into recent labor market developments.

In summary, nonfarm payroll employment rose by 288,000 in April, and the unemployment rate fell to 6.3 percent.