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Statement of

Keith Hall Commissioner Bureau of Labor Statistics

before the

Joint Economic Committee

UNITED STATES CONGRESS

Friday, May 7, 2010

Madam Chair 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 290,000 in April. The unemployment rate edged up to 9.9 percent, and the labor force increased sharply. Job growth was fairly widespread, with gains in manufacturing, professional and business services, health care, and leisure and hospitality. Federal government employment increased, with the addition of 66,000 short-term workers for Census 2010. Nonfarm employment has risen by 573,000 since December, with 483,000 jobs added in the private sector. Manufacturing continued to add jobs in April (44,000). Employment in this industry has increased by 101,000 since December. Three industries--fabricated metal products, machinery, and primary metals--have accounted for more than half of factory job gains so far this year.

Elsewhere in the goods-producing sector, mining employment continued to trend up over the month (7,000); the industry has added 39,000 jobs since October. In construction, nonresidential building and heavy construction each added 9,000 jobs in April.

Employment in professional and business services rose by 80,000 over the month. Within the industry, job growth continued in temporary help services (26,000), where employment has increased by 330,000 since September. Employment also rose in services to buildings and dwellings (23,000) and in computer systems design (7,000) in April.

Health care added 20,000 jobs over the month, in line with average monthly growth over the prior 12 months. Employment also continued to grow in leisure and hospitality (45,000). The industry has added 121,000 jobs since December, led by gains in food services.

Federal government employment rose in April, reflecting the hiring of 66,000 temporary workers for Census 2010. Employment in state and local governments was essentially unchanged.

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Within transportation, employment fell in courier and messenger services (-21,000). Other major industries showed little change in employment.

Average hourly earnings of all employees on private nonfarm payrolls were up 1 cent in April to \$22.47. Over the past 12 months, average hourly earnings have increased by 1.6 percent. From March 2009 to March 2010, the Consumer Price Index for All Urban Consumers (CPI-U) rose by 2.4 percent.

Turning now to measures from the survey of households, the unemployment rate edged up to 9.9 percent in April, and the number of unemployed persons was 15.3 million. Over the month, the number of unemployed who were reentrants to the labor force rose to 3.7 million.

In April, 6.7 million people had been jobless for 27 weeks or more. These long-term unemployed made up 45.9 percent of all unemployed persons, a record high.

The labor force increased by 805,000 in April. The labor force participation rate--the percent of the population working or looking for work--rose by 0.3 percentage point to 65.2 percent and has increased by 0.6 percentage point since December. The employment-population ratio increased to 58.8 percent in April and also has risen by 0.6 percentage point since December. Among the employed, there were 9.2 million

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individuals working part time in April who preferred full-time work, about the same as in March.

In summary, employment rose by 290,000 in April, with gains in several major industries. The unemployment rate edged up to 9.9 percent.

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