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Statement of

Keith Hall Commissioner Bureau of Labor Statistics

Friday, June 4, 2010

Nonfarm payroll employment rose by 431,000 in May, reflecting the hiring of 411,000 temporary workers for Census 2010. The unemployment rate edged down to 9.7 percent. Private-sector employment showed little change over the month (+41,000) but has increased by 495,000 since December.

Manufacturing employment continued to rise, with a gain of 29,000 in May. The industry has added 126,000 jobs thus far in 2010. Employment growth also continued in temporary help services. A gain of 31,000 jobs in May was in line with the average increase over the prior 3 months. Mining employment increased by 10,000 in May; this industry has added 50,000 jobs since October.

Federal government employment rose sharply in May, reflecting the addition of 411,000 temporary workers for Census 2010. Total temporary census staffing was 564,000 during the May survey reference period. Employment in state government excluding education decreased by 13,000.

Employment in health care changed little (+8,000) in May. The industry had added 20,000 jobs per month on average over the prior 12 months. Construction employment fell by 35,000 in May, largely offsetting 2 months of gains. May's decline was spread throughout the sector. Employment in other major industries showed little or no change.

Average hourly earnings of all employees on private nonfarm payrolls rose by 7 cents in May to \$22.57. Over the past 12 months, average hourly earnings have increased by 1.9 percent. From April 2009 to April 2010, the Consumer Price Index for All Urban Consumers (CPI-U) rose by 2.2 percent.

Turning to measures from the survey of households, the unemployment rate edged down to 9.7 percent in May, while the number of unemployed was little changed at 15.0 million. The rate had been 9.7 percent in the first 3 months of the year before ticking up to 9.9 percent in April. In May, 6.8 million people had been jobless for 27 weeks or more. These long-term unemployed made up 46.0 percent of all unemployed persons, essentially the same as in April.

The employment-population ratio was about unchanged at 58.7 percent in May. Among the employed, the number of individuals

2

working part time who preferred full-time work fell from 9.2 to 8.8 million.

In summary, private-sector payroll employment was little changed in May, although there was a large increase in government employment due to temporary census hiring. The jobless rate returned to 9.7 percent.