Mr. Chairman 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 117,000 in July, following 2 months of little change. The unemployment rate was 9.1 percent in July and has shown little definitive movement since April. Private-sector employment increased by 154,000 over the month.

Health care employment rose by 31,000 in July, as both hospitals and ambulatory care services added jobs. Retail trade employment increased by 26,000. In the manufacturing sector, employment expanded by 24,000, with gains in motor vehicles and
semiconductors. Mining employment grew by 9,000 over the month and was up by 140,000 since the most recent low in October 2009. Employment in professional and technical services continued to trend up in July; this industry has added 246,000 jobs since a recent low in March 2010. Employment in temporary help services was flat over the month and on net has changed little in 2011. Other private-sector industries showed little or no change in July.

Employment in state government decreased by 23,000 over the month. The decline was almost entirely due to the partial government shutdown in Minnesota. Local government employment continued to trend down over the month. Since an employment peak in September 2008, local government has shed 475,000 jobs.

Average hourly earnings of all employees on private nonfarm payrolls were up by 10 cents in July to $23.13. Over the past 12 months, average hourly earnings have risen by 2.3 percent. From June 2010 to June 2011, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 3.4 percent.

Turning to measures from the survey of households, the unemployment rate was 9.1 percent in July. The jobless rate has held in a narrow range between 9.0 and 9.2 percent since April.

Of the 13.9 million persons unemployed in July, 44.4 percent had been out of work for 27 weeks or longer. This
proportion was unchanged over the month and essentially unchanged over the year.

Labor force participation edged down from 64.1 to 63.9 percent in July. The proportion of the population that was employed was essentially unchanged over the month at 58.1 percent.

In summary, nonfarm payroll employment rose by 117,000 in July, with the private sector adding 154,000 jobs. The unemployment rate was little changed at 9.1 percent.

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