Nonfarm payroll employment increased by 96,000 in August, and the unemployment rate edged down to 8.1 percent. Since the beginning of the year, job growth has averaged 139,000 per month, compared with an average monthly gain of 153,000 in 2011. In August, food services and drinking places, professional and technical services, and health care added jobs.

Employment in food services and drinking places rose by 28,000 over the month. Over the past 12 months, this industry has added 298,000 jobs.

Within professional and technical services, employment increased in August in computer systems design (+11,000) and management and technical consulting services (+9,000). Over the past 12 months, these industries have added 79,000 and 69,000 jobs, respectively.
Health care employment grew by 17,000 in August, with gains in ambulatory health care services and in hospitals. From June through August, job growth in health care averaged 15,000 per month, compared with an average monthly gain of 28,000 in the previous 12 months.

Employment in utilities was up by 9,000 in August as employees returned to work after a labor-management dispute.

Manufacturing employment edged down (-15,000) in August. Employment in motor vehicle and parts manufacturing was down by 8,000 over the month after increasing by 14,000 in July. Firms in this industry laid off fewer workers than usual for factory retooling in July and recalled fewer workers than usual in August. This contributed to the seasonally adjusted increase in July and decrease in August.

Finance and insurance added 11,000 jobs in August. Employment continued to trend up in wholesale trade. Employment in temporary help services changed little over the month and has shown little movement, on net, since February. In August, employment in other major industries changed little.

Average hourly earnings of all employees on private nonfarm payrolls edged down by 1 cent in August to $23.52. Over the past 12 months, average hourly earnings have risen by 1.7 percent. From July 2011 to July 2012, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 1.4 percent.
Turning now to data from the survey of households, the unemployment rate edged down to 8.1 percent in August. The jobless rate has remained in a narrow range of 8.1 to 8.3 percent since January.

In August, the number of unemployed persons was little changed at 12.5 million, and the proportion who had been jobless for 27 weeks or more also was little changed at 40.0 percent.

Both the civilian labor force (154.6 million) and the labor force participation rate (63.5 percent) declined over the month. The employment-population ratio was essentially unchanged at 58.3 percent.

In summary, nonfarm payroll employment increased in August (+96,000), and the unemployment rate edged down to 8.1 percent.