Statement of

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Nonfarm payroll employment increased by 263,000 in September, and the unemployment rate edged down to 3.5 percent. Notable job growth occurred in leisure and hospitality and in health care. Monthly job growth has averaged 420,000 thus far in 2022, compared with 562,000 per month in 2021.

Employment in leisure and hospitality increased by 83,000 in September, in line with its average monthly gain for the first 8 months of this year. Food services and drinking places added 60,000 jobs in September. Employment in leisure and hospitality is below its pre-pandemic February 2020 level by 1.1 million, or 6.7 percent.

Health care added 60,000 jobs in September, with growth in ambulatory health care services (+28,000) and hospitals (+28,000). Health care has returned to its February 2020 employment level.
Employment in professional and business services continued its upward trend in September (+46,000). Thus far in 2022, job growth in this industry has averaged 72,000 per month. In September, employment in temporary help services continued to trend up (+27,000). Job gains occurred in investigation and security services (+9,000) and in scientific research and development services (+5,000). Job losses occurred in business support services (-12,000), legal services (-5,000), and advertising and related services (-5,000).

Manufacturing employment continued to trend up in September (+22,000), with job gains in motor vehicles and parts (+8,000), fabricated metal products (+6,000), and electrical equipment and appliances (+3,000). Printing and related support activities lost 4,000 jobs over the month. Manufacturing employment has increased by an average of 36,000 per month thus far in 2022.

In September, employment in construction continued to trend up (+19,000), in line with average monthly job growth over the first 8 months of the year. Specialty trade contractors added 18,000 jobs in September.

Wholesale trade employment continued to trend up in September (+11,000). Thus far in 2022, the industry has added an average of 18,000 jobs per month.

In September, employment in financial activities changed little (-8,000). Declines in insurance carriers and related
activities (-9,000) and nondepository credit intermediation (-7,000) were partially offset by a job gain in depository credit intermediation (+5,000).

In September, employment changed little in transportation and warehousing (-8,000). A job loss of 11,000 in truck transportation was partially offset by a gain of 3,000 in air transportation.

Employment showed little change over the month in other major industries, including mining, retail trade, information, other services, and government.

In September, the average workweek for all private-sector workers was 34.5 hours for the fourth month in a row. The average workweek for manufacturing was unchanged at 40.3 hours.

Average hourly earnings of all employees on private nonfarm payrolls increased by 10 cents, or 0.3 percent, to $32.46 in September. Over the past 12 months, average hourly earnings have increased by 5.0 percent.

Turning to the labor market indicators from the household survey, the unemployment rate edged down to 3.5 percent in September, returning to its July level. The number of unemployed people edged down to 5.8 million in September.

In September, the unemployment rate for Hispanics declined to 3.8 percent. The jobless rates for adult men (3.3 percent), adult women (3.1 percent), teenagers (11.4 percent), Whites (3.1
percent), Blacks (5.8 percent), and Asians (2.5 percent) showed little change.

Among the unemployed, the number of permanent job losers decreased by 173,000 to 1.2 million in September. This decline offset an increase in the prior month.

By duration of unemployment, the number of people unemployed for 27 weeks or more was little changed at 1.1 million in September. These long-term unemployed accounted for 18.5 percent of all unemployed people.

The labor force participation rate, at 62.3 percent, changed little in September, and the employment-population ratio was unchanged at 60.1 percent. Both measures are below their February 2020 values by 1.1 percentage points.

In September, the number of people working part time for economic reasons declined by 306,000 to 3.8 million.

The number of people not in the labor force who currently want a job was little changed at 5.8 million in September. This measure remains above its February 2020 level of 5.0 million.

Among those who were not in the labor force but wanted a job, the number of people marginally attached to the labor force, at 1.6 million, was little changed in September. (People who are marginally attached to the labor force had not actively 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, rose by 119,000 to 485,000 in September.

Looking at the supplemental pandemic-related measures from the household survey (these supplemental data are not seasonally adjusted), the share of employed people who teleworked because of the pandemic was 5.2 percent in September, down from 6.5 percent in the prior month. In May 2020, the first month that these data were collected, 35.4 percent of employed people teleworked because of the coronavirus pandemic. These data refer only to employed people who teleworked or worked at home for pay at some point in the last 4 weeks specifically because of the pandemic; they do not include all instances of telework.

In September, the number of people who reported that they had been unable to work because their employer closed or lost business due to the pandemic was 1.4 million, down from 1.9 million a month earlier. This measure is down from 49.8 million in May 2020. (These individuals did not work at all or worked fewer hours at some point in the last 4 weeks due to the pandemic.) Among those who reported in September that they were unable to work because of pandemic-related closures or lost business, 21.4 percent received at least some pay from their employer for the hours not worked, essentially unchanged from August.
Among those not in the labor force in September, 452,000 people were prevented from looking for work due to the pandemic, little changed from the prior month. In May 2020, the first month these data were collected, 9.7 million people were prevented from looking for work due to the pandemic. (To be counted as unemployed, by definition, individuals must either be actively searching for work or on temporary layoff.)

These supplemental data come from questions added to the household survey from May 2020 through September 2022 to help gauge the effects of the pandemic on the labor market. New questions will be asked beginning in October 2022. More information is available online at www.bls.gov/cps/effects-of-the-coronavirus-covid-19-pandemic.htm.

Hurricane Ian had no discernible effect on the employment and unemployment data for September. Household survey data collection was completed before the storm made landfall in Florida, and establishment survey data collection rates were within normal ranges nationally and for the affected areas.

In summary, nonfarm payroll employment increased by 263,000 in September, and the unemployment rate edged down to 3.5 percent.