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Statement of

Keith Hall Commissioner Bureau of Labor Statistics

Friday, October 8, 2010

Nonfarm payroll employment edged down (-95,000) in September, and the unemployment rate held at 9.6 percent. Private-sector employment continued to trend up modestly (+64,000). Government employment continued to fall (-159,000), partly reflecting the loss of 77,000 temporary Census 2010 jobs. In September, 6,000 temporary decennial census workers remained on the federal government payroll. Elsewhere in the government sector, local government employment fell by 76,000.

Within the private sector, health care employment continued to expand (+24,000) in September, primarily in ambulatory health care services. Employment services added 28,000 jobs; most of the gain was in temporary help services. Employment in food services rose by 34,000 over the month. Other major serviceproviding industries showed little change. Manufacturing employment was little changed (-6,000) in September and, on net, has shown essentially no change since May. In the first 5 months of this year, factory job growth had averaged 27,000 per month. Elsewhere in the goods-producing sector, construction employment edged down by 21,000 in September but, on net, has changed little since February. Mining employment continued to trend up in September.

Average hourly earnings of all employees on private nonfarm payrolls were up by 1 cent over the month to \$22.67. Over the past 12 months, average hourly earnings have risen by 1.7 percent. From August 2009 to August 2010, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 1.2 percent.

Most measures from the survey of households showed little or no movement over the month. The jobless rate was unchanged at 9.6 percent. Of the 14.8 million unemployed, 41.7 percent had been jobless for 27 weeks or more in September, about the same as in August. The employment-population ratio held at 58.5 percent in September. Among the employed, however, the number of involuntary part-time workers rose by 612,000 over the month to a series high of 9.5 million.

In keeping with standard practice, the Bureau of Labor Statistics is announcing the preliminary estimate for the next benchmark revision to payroll employment. The benchmark process annually revises the payroll survey's sample-based employment

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estimates to incorporate universe employment counts derived primarily from unemployment insurance tax reports. Preliminary tabulations indicate that the estimate of total nonfarm payroll employment for March 2010 will require a downward revision of approximately 366,000, or three-tenths of one percent. The average of the absolute values of the benchmark revisions over the prior 10 years is three-tenths of one percent.

The final benchmark revision will be incorporated into the payroll survey with the publication of January data on February 4, 2011. Historical data series will be revised at that time.

In summary, total nonfarm payroll employment edged down in September. Private-sector employment continued on a modest upward trend, while government employment decreased. The unemployment rate remained at 9.6 percent.

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