Nonfarm payroll employment rose by 166,000 in October, and the unemployment rate was unchanged at 4.7 percent. Job gains continued in professional and business services, food services, and health care. Manufacturing employment continued to decline, while construction employment was little changed over the month.

Before examining October’s developments in detail, it should be noted that the wildfires and associated evacuations in Southern California had no discernable effect on the data in this report. The household survey reference period preceded the wildfires and evacuations, as did the reference period for most employers in the establishment survey. Household survey interviews were largely completed before the wildfires began, and response rates for the establishment survey were within the normal range for the affected areas.

In October, employment rose by 65,000 in professional and business services; the industry has added 368,000 jobs over the
The October employment gains were widespread, with notable increases in architectural and engineering services and in management and technical consulting. Employment services added 34,000 jobs over the month, offsetting a decline of similar magnitude in September. Thus far this year, the industry has lost 156,000 jobs.

Food services and drinking places added 37,000 jobs in October. Employment in the industry has risen by 365,000 over the year. Health care employment also continued to grow, increasing by 34,000 in October and by 400,000 over the year. The over-the-month gains occurred in ambulatory health care services, which includes offices of physicians and home health care services, and in hospitals. Employment also continued to trend up in wholesale trade.

Construction employment was little changed in October. Over the month, a job gain in nonresidential specialty trade contracting was offset by losses in the residential components of construction. Construction employment has fallen by 124,000 since its peak in September 2006, driven by losses in residential construction.

Among other housing-related industries, employment continued its downward trend in October in credit intermediation--the component of the financial activities sector that includes mortgage lending and related activities.
Employment in credit intermediation has fallen by 56,000 since its peak in February. Within retail trade, building supply stores lost 7,000 jobs in October; employment in the industry declined by 47,000 over the year.

Manufacturing employment continued to fall in October (-21,000), reflecting widespread declines. Factory job losses totaled 203,000 over the year. Average weekly hours in the manufacturing sector edged down over the month to 41.2 hours, and factory overtime was unchanged at 4.1 hours per week.

Average hourly earnings for private production and nonsupervisory workers were up 3 cents to $17.58 in October. Over the year, average hourly earnings increased by 3.8 percent.

Most labor market measures from the household survey showed little or no change over the month. The number of unemployed persons, at 7.2 million, was essentially unchanged, and the unemployment rate remained at 4.7 percent. The employment-population ratio was 62.7 percent in October, down from its recent peak of 63.4 percent last December. Over the period, most of the decline occurred among adult men and teenagers.

In summary, nonfarm payroll employment increased by 166,000 in October, and the unemployment rate held at 4.7 percent.