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Statement of

Keith Hall Commissioner Bureau of Labor Statistics

before the

Joint Economic Committee
UNITED STATES CONGRESS

Friday, November 4, 2011

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 continued to trend up in October (+80,000), and the unemployment rate, at 9.0 percent, was little changed. Over the past 12 months, payroll employment has increased by an average of 125,000 per month.

In October, private-sector employment increased by 104,000, with continued growth in professional and business services, leisure and hospitality, health care, and mining. Government employment continued to trend down.

Employment in professional and business services continued to trend up in October (+32,000). In recent months, there have been modest job gains in temporary help services and in management and technical consulting services.

Employment in leisure and hospitality continued to trend up over the month (+22,000). Since a recent low in January 2010, the industry has added 344,000 jobs.

Health care employment edged up by 12,000 in October, following a gain of 45,000 in September. The two-month average increase of 29,000 was in line with the industry's recent trend. In October, offices of physicians gained 8,000 jobs.

Mining employment continued to expand in October (+6,000). Since October 2009, mining has added 152,000 jobs, largely due to gains in support activities for mining.

Construction employment was down by 20,000 in October, largely offsetting a gain in the prior month. Both over-themonth movements largely occurred in nonresidential construction industries. Employment in other major private-sector industries changed little in October.

Employment in government continued to trend down (-24,000). State government, excluding education, lost 16,000 jobs over the month. Employment in both state government and local government has been falling since the second half of 2008.

Average hourly earnings of all employees on private nonfarm payrolls rose by 5 cents to \$23.19 in October, following a gain of 6 cents in September. Over the past 12 months, average hourly earnings have risen by 1.8 percent. From September 2010 to September 2011, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 3.9 percent.

Turning now to measures from our survey of households, the unemployment rate was essentially unchanged at 9.0 percent in October. The jobless rate has held in a narrow range from 9.0 to 9.2 percent since April. In October, there were 13.9 million unemployed persons, little changed from the prior month. The number of persons jobless for 27 weeks and over declined by 366,000 to 5.9 million, or 42.4 percent of total unemployment.

The employment-population ratio, at 58.4 percent, was little changed in October. Among the employed, those working part time for economic reasons fell by 374,000, to 8.9 million.

The labor force participation rate, at 64.2 percent, was unchanged over the month. Thus far in 2011, the participation rate has held at about 64 percent.

Among those outside of the labor force--persons neither working nor looking for work--the number of discouraged workers in October was 967,000, down from 1.2 million a year earlier.

In summary, nonfarm payroll employment continued to trend up in October (+80,000). The unemployment rate was little changed at 9.0 percent.

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