Advance copies of this statement are made available to the press under lock-up conditions with the explicit understanding that the data are embargoed until 8:30 a.m. Eastern Standard Time.

Statement of

Keith Hall Commissioner Bureau of Labor Statistics

before the

Joint Economic Committee

UNITED STATES CONGRESS

Friday, December 4, 2009

Madam Chair and Members of the Committee:

Thank you for the opportunity to discuss the employment and unemployment data we released this morning.

The unemployment rate edged down to 10.0 percent in November, and nonfarm payroll employment was essentially unchanged (-11,000). Additionally, after revision, the estimates of job loss for September and October were smaller than reported last month. In November, job losses occurred in construction, manufacturing, and information, while employment rose in temporary help services and health care.

Construction employment fell by 27,000 over the month, compared with an average monthly decline of 63,000 in the prior 6 months. In recent months, most of the decline has occurred in the nonresidential components. In manufacturing, employment fell by 41,000 in November, about in line with the trend over the prior 4 months. There were notable job cuts over the month in machinery, computer and electronic products, and printing. The factory workweek rose by 0.3 hour and has increased by one full hour since May. In November, employment in the information industry declined by 17,000, with telecommunications accounting for half of the loss.

Employment in temporary help services rose in November. The industry started the year with large job losses, averaging 69,000 per month through April. Recently, the industry has added jobs, with gains averaging 48,000 per month in October and November.

Over the month, employment continued to increase in health care, with gains in home health care and hospitals. Since the recession began, health care has added 613,000 jobs.

Average hourly earnings of production and nonsupervisory workers in the private sector were up by 1 cent in November to \$18.74. Over the past 12 months, average hourly earnings have risen by 2.2 percent. From October 2008 to October 2009, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) declined by 0.4 percent.

2

Turning now to some measures from our household survey, the unemployment rate edged down from 10.2 to 10.0 percent in November. The rate was 4.9 percent when the recession began in December 2007. There were 15.4 million unemployed persons in November, down slightly from the prior month.

The number of persons who were unemployed because of job loss declined in November. The number of long-term unemployed continued to grow, rising by 293,000 over the month to 5.9 million.

The employment-population ratio held at 58.5 percent. When the recession began, it was 62.7 percent. Among the employed, the number of persons working part time in November who would have preferred full-time work was little changed at 9.2 million.

Among those outside the labor force--that is, persons neither working nor looking for work--the number of discouraged workers in November was 861,000, up from 608,000 a year earlier. These individuals are not currently looking for work because they believe no jobs are available for them.

In summary, nonfarm payroll employment was essentially unchanged in November, and the unemployment rate edged down to 10.0 percent.

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

3