The unemployment rate declined by 0.2 percentage point to 3.5 percent in September, and nonfarm payroll employment increased by 136,000. Employment continued to trend up in health care and in professional and business services.

Thus far in 2019, monthly job growth has averaged 161,000, compared with an average monthly gain of 223,000 in 2018. (Incorporating revisions for July and August, which increased employment by 45,000, monthly job gains have averaged 157,000 over the past 3 months.)

Health care employment rose by 39,000 in September, with gains occurring in ambulatory health care services (+29,000) and hospitals (+8,000). Over the year, employment in health care has risen by 423,000.
In September, employment continued to trend up in professional and business services (+34,000). The industry has added an average of 35,000 jobs per month so far this year, down from 47,000 per month in 2018.

Government employment also continued to trend up in September (+22,000). Federal hiring for the 2020 Census was negligible (+1,000). Over the year, employment in government has increased by 147,000, largely in local government.

Employment in transportation and warehousing edged up by 16,000 in September, with gains in transit and ground passenger transportation (+11,000) and in couriers and messengers (+4,000).

In September, employment changed little in retail trade (-11,000). Job losses in clothing and clothing accessories stores (-14,000) were partially offset by job gains in food and beverage stores (+9,000). Since reaching a peak in January 2017, retail trade has lost 197,000 jobs.

Employment showed little change over the month in other major industries—including mining, construction, manufacturing, wholesale trade, information, financial activities, and leisure and hospitality.

Average hourly earnings of all employees on private nonfarm payrolls, at $28.09, were little changed in September (-1 cent), following an 11-cent gain in August. Over the past 12
months, average hourly earnings have risen by 2.9 percent. From August 2018 to August 2019, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 1.8 percent (on a seasonally adjusted basis).

Turning to measures from the survey of households, the unemployment rate declined by 0.2 percentage point to 3.5 percent in September. The last time the rate was this low was in December 1969, when it also was 3.5 percent. The number of unemployed people fell by 275,000 over the month to 5.8 million.

Among the unemployed, the number of people searching for work for 27 weeks or more was little changed at 1.3 million in September. These long-term unemployed accounted for 22.7 percent of the unemployed.

The labor force participation rate, at 63.2 percent, was unchanged in September. The employment-population ratio, at 61.0 percent, changed little. Over the year, the employment-population ratio was up by 0.6 percentage point.

In September, 4.4 million people were working part time for economic reasons (also referred to as involuntary part-time workers), little changed from the previous month.

Among those neither working nor looking for work in September, 1.3 million were considered marginally attached to the labor force, down by 278,000 from a year earlier. (People who are marginally attached to the labor force had not 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.) Discouraged workers, a subset of the marginally attached who believed no jobs were available for them, numbered 321,000 in September, little changed from a year earlier.

In summary, the unemployment rate declined to 3.5 percent in September, and nonfarm payroll employment rose by 136,000.