
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

Friday, January 6, 2012

Nonfarm payroll employment rose by 200,000 in December, and the unemployment rate, at 8.5 percent, continued to trend down. In 2011, payroll employment growth averaged 137,000 per month. Private-sector job gains totaled 212,000 in December and 1.9 million over the year. Government employment changed little over the month but fell by 280,000 over the year.

Employment in transportation and warehousing rose by 50,000 in December. The couriers and messengers industry accounted for almost all of the gain (+42,000), as seasonal hiring was particularly strong in December. This may reflect increased online purchasing during the holiday season.

Retail trade continued to add jobs in December (+28,000), with increases in both general merchandise and clothing stores. Retail trade employment has increased by 240,000 over the past 12 months.

Manufacturing employment rose in December (+23,000); all of the increase occurred in durable goods manufacturing. In 2011, manufacturing job gains totaled 225,000. Employment in mining continued to increase in December (+7,000). Over the year, mining employment rose by 89,000.

Health care employment continued to expand in December (+23,000). The industry added 315,000 jobs in 2011. Over the month, job gains continued in hospitals (+10,000).

Employment in food services and drinking places continued to trend up in December (+24,000). Employment in the industry rose by 230,000 in 2011.

Employment in government changed little over the month. This sector lost 280,000 jobs over the year with declines in local government; state government, excluding education; and the U.S. Postal Service.

Average hourly earnings of all employees on private nonfarm payrolls increased by 4 cents in December to \$23.24. Over the past 12 months, average hourly earnings have risen by 2.1 percent. From November 2010 to November 2011, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 3.4 percent.

Turning to measures from the survey of households, the jobless rate, at 8.5 percent, continued to trend down in December. Since August, the unemployment rate has declined by

0.6 percentage point. Over that time period, the number of unemployed persons declined by 823,000, while the civilian labor force changed little. In December, 42.5 percent of the unemployed had been jobless for 27 weeks or more.

The employment-population ratio, at 58.5 percent, was unchanged over the month. Among the employed, those working part time for economic reasons fell by 371,000, to 8.1 million.

The labor force participation rate, at 64.0 percent, was unchanged in December, but was slightly lower than a year earlier (64.3 percent). The number of discouraged workers fell over the year by 373,000 to 945,000 in December (not seasonally adjusted). Discouraged workers are persons outside the labor force who are not looking for work because they believe their job search efforts would be unsuccessful.

Data users are reminded that seasonal adjustment factors for the household survey are updated each year with the release of the December data. Seasonally adjusted estimates going back 5 years--to January 2007--were subject to revision.

Summarizing labor market developments for December, the jobless rate, at 8.5 percent, continued to trend down, and nonfarm payroll employment rose by 200,000.