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Statement of

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Commissioner
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In December, the unemployment rate fell by 0.4 percentage point to 9.4 percent, and nonfarm payroll employment increased by 103,000. From a recent low point in December 2009, payroll employment has risen by 1.1 million, or an average of 94,000 per month. In December, employment increased in leisure and hospitality and in health care but was little changed in other major industries.

The leisure and hospitality sector added 47,000 jobs over the month, with continued gains in food services. Employment also rose in amusements, gambling, and recreation. Since a recent low point in leisure and hospitality employment in December 2009, the industry has added nearly a quarter of a million jobs.

Health care employment expanded by 36,000 in December and by 266,000 in all of 2010. Over the month, employment continued

to rise in several health-related services, including outpatient care centers, hospitals, and nursing and residential care facilities. Employment in temporary help services also continued to trend up in December and has increased by 495,000 since a recent low in September 2009.

Over the month, job growth continued in support activities for mining operations; the industry has added 77,000 jobs since a recent low in October 2009.

Construction employment changed little in December and, on net, has been essentially flat since March. In contrast, job losses from August 2006 through February 2010 totaled 2.1 million. In December, retail trade employment was little changed, although job gains in the industry totaled 116,000 for all of 2010. Over the month, motor vehicle and parts dealers added 8,000 jobs, in line with the trend since July. December's employment gain among motor vehicle and parts dealers was offset by a loss of 8,000 in health and personal care stores.

Manufacturing employment was little changed over the month. Following modest job growth earlier in 2010, manufacturing employment has been relatively flat, on net, since May. The factory workweek for all employees was down 0.1 hour in December but was 1.5 hours above the low point of 38.7 hours in June 2009.

Average hourly earnings of all employees on private nonfarm payrolls rose by 3 cents in December to \$22.78. Over the past 12 months, average hourly earnings have risen by 1.8 percent. From November 2009 to November 2010, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 1.1 percent.

Turning to measures from our survey of households, the jobless rate declined by 0.4 percentage point in December to 9.4 percent. A year earlier, the unemployment rate was 9.9 percent. The number of unemployed persons also declined over the month, from 15.0 million to 14.5 million, largely reflecting a decrease in the number of unemployed adult men. Among the unemployed, 44.3 percent had been jobless for 27 weeks or more in December, up from 40.1 percent a year earlier.

The labor force participation rate edged down in December to 64.3 percent and was slightly lower than a year earlier (64.7 percent). The number of persons working part time who would have preferred full-time employment was essentially unchanged in December at 8.9 million. The number of discouraged workers grew over the year by 389,000 to 1.3 million 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 2006--were subject to revision.

Summarizing labor market developments for December, the jobless rate fell to 9.4 percent, and nonfarm payroll employment rose by 103,000.