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Statement of

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Commissioner
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Nonfarm payroll employment edged down in December (-85,000), and the unemployment rate held at 10.0 percent. In 2009, payroll employment declined by 4.2 million. Over the course of the year, job losses moderated substantially. In the first quarter of 2009, job declines averaged 691,000 per month, compared with 69,000 per month in the last quarter. In December, job losses continued in construction, manufacturing, and wholesale trade, while employment continued to rise in temporary help services and health care.

Over the month, construction employment fell by 53,000, in line with average monthly job losses since May 2009. Over the year, the industry shed 934,000 jobs. Nonresidential and heavy construction accounted for the majority of the loss in 2009. In contrast, residential construction accounted for the majority of the loss in 2008.

The manufacturing sector continued to contract in December (-27,000), although average monthly job losses in the second half of 2009 were about one-fourth as large as those in the first half of the year. In December, the factory workweek was unchanged at 40.4 hours, remaining a full hour above its recent low in May.

Wholesale trade employment declined by 18,000 in December, bringing the total job loss in the industry to 232,000 for 2009. In retail trade, employment in general merchandise stores fell by 15,000 over the month.

Temporary help services continued to add jobs in December (47,000). Since a recent low point in July 2009, employment in the industry has risen by 166,000. Health care employment also continued to expand over the month, with gains in doctors' offices and in home health care services.

Average hourly earnings of production and nonsupervisory workers in the private sector rose by 3 cents in December to \$18.80. Over the past 12 months, average hourly earnings have risen by 2.2 percent. From November 2008 to November 2009, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) increased by 2.3 percent.

Turning to the measures from our survey of households, the unemployment rate held at 10.0 percent in December, and the number of unemployed persons was unchanged at 15.3 million. A

year earlier the jobless rate was 7.4 percent. Among the unemployed, 39.8 percent had been jobless for 27 weeks or more in December, up from 22.9 percent a year earlier.

The employment-population ratio, at 58.2 percent in December, declined by 0.3 percentage point over the month and by 2.7 percentage points over the year. The number of discouraged workers rose over the year by 287,000, to 929,000 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.

The number of persons working part time who would have preferred full-time employment was about unchanged in December at 9.2 million. During the first quarter of 2009, the measure rose by more than 900,000, but it has been relatively flat since March.

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 2005--were subject to revision.

In addition, BLS will introduce several changes to the *Employment Situation* news release text and tables with the release of January 2010 data on February 5, 2010. Information about those changes is available on the BLS Web site (www.bls.gov/bls/upcoming_empsit_changes.htm).

To summarize December's labor market data, nonfarm payroll employment edged down (-85,000), and the unemployment rate was unchanged at 10.0 percent. In 2009, payroll employment declined by 4.2 million, and the Nation's jobless rate increased by 2.6 percentage points.