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Statement of

Keith Hall  
Commissioner  
Bureau of Labor Statistics

Friday, June 3, 2011

In May, nonfarm payroll employment changed little (+54,000), following increases that averaged 220,000 in the prior 3 months. The unemployment rate was essentially unchanged, at 9.1 percent, in May. Employment in the private sector was up by 83,000, compared with an average monthly gain of 244,000 in the prior 3 months. Since a recent employment low in February 2010, the private sector has added 2.1 million jobs. After accounting for job losses in the public sector, total nonfarm payrolls grew by 1.8 million over the period.

Employment in professional and business services continued to increase in May (+44,000). Job gains occurred in accounting services and in computer systems design. Temporary help employment remained essentially unchanged. Health care added 17,000 jobs over the month, compared with an average of 24,000 jobs over the prior 12 months.

Employment growth continued in mining in May (+7,000). Since a recent low point in October 2009, mining employment has risen by 115,000, largely driven by gains in support activities for mining.

Manufacturing employment showed little change in May (-5,000). From a recent low point in December 2009 through April 2011, manufacturing added 243,000 jobs. In May, job losses in transportation equipment, paper, and printing offset gains in fabricated metals and machinery.

Local government employment decreased by 28,000 over the month and has declined by 446,000 since the peak in September 2008.

Average hourly earnings of all employees on private nonfarm payrolls rose by 6 cents in May to \$22.98. Over the past 12 months, average hourly earnings have risen by 1.8 percent. From April 2010 to April 2011, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 3.1 percent.

Turning now to measures from our survey of households, the unemployment rate was essentially unchanged at 9.1 percent in May. There were 13.9 million persons unemployed, little different from the prior month. The number of those jobless for 27 weeks or more rose to 6.2 million in May and accounted for 4.0 percent of the civilian labor force. The labor force participation rate has held at 64.2 percent since January.

I would note that the severe weather, including tornadoes and flooding, in the Midwest and the South did not materially affect data collection for either the payroll or household survey. In addition, while there is no question that some workers in the devastated communities may have been at least temporarily displaced from their jobs, we found no clear impact of the disasters on the national employment and unemployment data for May. In order for these events to have affected payroll employment, people would have had to have been off work for an entire pay period and not paid for the time missed. In the household survey, people who missed work for weather-related events were counted as employed whether or not they were paid for the time off. There will be state and local area estimates available later in the month.

In summary, both nonfarm payroll employment and the unemployment rate were little changed in May.