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Statement of

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Commissioner  
Bureau of Labor Statistics

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Nonfarm payroll employment increased by 121,000 in June, and the unemployment rate was unchanged at 4.6 percent. During the second quarter of this year, payroll employment growth averaged 108,000 per month, down from an average monthly gain of 169,000 over the 12-month period ending in March. Average hourly earnings increased by 8 cents in June.

In the service-providing sector of the economy, health care employment continued to trend up over the month, with an increase of 19,000. Job gains occurred in hospitals, doctors' offices, and nursing and residential care facilities. Over the past year, 278,000 jobs have been added in health care.

Employment in professional and business services also continued to expand in June (+25,000). Although the

increase was in line with average monthly job growth for the first 5 months of this year, it was well below the average monthly gain for 2005 (+41,000). Over the month, employment was up in accounting services and in computer systems design. The job total in temporary help services edged lower in June. Employment in the temporary help industry has drifted down during the first half of this year, after trending up since the spring of 2003.

Local government employment was up in June (+24,000), with most of the gain in functions other than education. Government employment was essentially unchanged over the month at the state and Federal levels.

Elsewhere in the service-providing sector, employment in food services continued to trend up in June, although there appears to have been some moderation in the rate of job growth in recent months. Financial activities had little job growth for the second month in a row; employment in the industry had been expanding fairly steadily since mid-2005. Employment in retail trade was little changed in June, following 2 months of sizable declines. Within retail, job losses in general merchandise stores have totaled 61,000 over the past 3 months.

In the goods-producing sector, manufacturing employment edged up by 15,000 in June. Some 55,000 jobs

have been added in the nation's factories (on net) since October 2005; the gain has been concentrated in a few durable goods industries, including machinery, fabricated metals, electrical equipment, and transportation equipment. Overall, the factory workweek increased by 0.1 hour in June, while manufacturing overtime was unchanged.

Employment in mining rose in June, as hiring continued in support activities for oil and gas operations. Construction employment essentially held steady for the fourth consecutive month, reflecting recent moderation in residential construction activity.

Average hourly earnings for private sector production and nonsupervisory workers increased by 8 cents in June, following gains of 1 cent in May and 10 cents in April. Over the year, average hourly earnings have risen by 3.9 percent.

Turning to the data from the household survey, the unemployment rate held at 4.6 percent in June, and the number of unemployed persons was essentially unchanged at 7.0 million. The number of long-term unemployed--those who have been seeking jobs for 27 weeks or longer--fell by 217,000 over the month to 1.1 million. The labor force participation rate and the employment-population ratio were

little changed over the month at 66.2 and 63.1 percent, respectively.

In summary, nonfarm payroll employment rose by 121,000 in June, and the unemployment rate was unchanged at 4.6 percent.