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Statement of

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Nonfarm payroll employment continued to trend up in July (+92,000), and the unemployment rate was essentially unchanged at 4.6 percent. Over the first 7 months of 2007, job growth has averaged 136,000 per month, compared with an average monthly gain of 189,000 in 2006. In July, employment rose in several service-providing industries and was little changed in the goods-producing industries. Average hourly earnings increased by 6 cents, or 0.3 percent.

Employment in health care and social assistance continued to increase in July. The health care industry added 36,000 jobs over the month and 377,000 over the year. In July, employment gains occurred in doctors' offices, home health care, and hospitals. Over the year, social assistance employment rose by 99,000.

Within financial activities, credit intermediation added 11,000 jobs in July, offsetting a decline of similar magnitude in June. On net, employment in credit intermediation has been little changed in 2007. In contrast, both the insurance and securities industries have continued to add jobs.

Food services employment continued to expand in July, rising by 22,000. Job gains in the industry have averaged 29,000 per month in 2007, about the same as the average monthly increase in 2006. Employment in computer systems design increased by 15,000 in July. The industry has added 55,000 jobs thus far in 2007. Wholesale trade employment continued to trend up in July.

Elsewhere in the service-providing sector, employment was about unchanged in both retail trade and information. Temporary help services employment continued on a downward trend; thus far in 2007, employment in the industry has declined by 52,000.

In the goods-producing sector, construction employment was little changed in July. Since its most recent peak in September 2006, employment in the industry has declined by 75,000. Mining employment continued to trend up in July.

Manufacturing employment was flat overall and across virtually all of its component industries in July. The

factory workweek and overtime hours held at 41.3 and 4.2 hours, respectively.

Average hourly earnings for private production and nonsupervisory workers increased by 6 cents, or 0.3 percent, in July to \$17.45. This increase follows 7-cent gains in May and June. Over the year, average hourly earnings were up by 3.9 percent.

Most labor market measures from our survey of households showed little or no change in July. Both the unemployment rate and the number of unemployed persons were essentially unchanged. The jobless rate, at 4.6 percent, has held in a narrow range of 4.4 to 4.6 percent since last September. There was, however, some change in the composition of the unemployed in July. The number of job losers and persons who completed temporary jobs rose by 253,000 to 3.6 million. There also was a sizable increase in the number of unemployed persons who had been jobless for 27 weeks or more. As a result, their share of the unemployed rose from 16.2 percent in June to 18.4 percent in July.

Over the month, the labor force participation rate remained at 66.1 percent. The employment-population ratio, at 63.0 percent, was essentially unchanged, but was 0.4

percentage point below its recent high of 63.4 percent in December 2006.

In summary, nonfarm payroll employment (+92,000) continued to trend up in July, and the unemployment rate was essentially unchanged at 4.6 percent.