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Statement of

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Acting Commissioner  
Bureau of Labor Statistics

Friday, August 3, 2012

Nonfarm payroll employment rose by 163,000 in July, and the unemployment rate, at 8.3 percent, was essentially unchanged. Thus far in 2012, job growth has averaged 151,000 per month, about the same as the monthly average for 2011 (+153,000). In July, employment rose in professional and business services, food services and drinking places, and manufacturing.

Professional and business services employment increased by 49,000 over the month. Computer systems design added 7,000 jobs, and employment in temporary help services continued to trend up (+14,000).

In July, food services and drinking places added 29,000 jobs. Employment in this industry has grown by 292,000 over the past 12 months.

Manufacturing employment rose by 25,000 in July. The motor vehicles and parts industry had fewer seasonal layoffs than is

typical for July, contributing to a seasonally adjusted employment increase of 13,000. Employment continued to trend up in fabricated metal products (+5,000).

Health care employment continued to trend up in July (+12,000). Over the past 2 months, job growth in health care averaged 12,000 per month, compared with job gains averaging 28,000 per month during the 12 months ending in May.

Employment in utilities decreased by 8,000 in July, reflecting a labor-management dispute. (In the establishment survey, workers who are off payroll for the entire pay period that includes the 12<sup>th</sup> of the month are not counted as employed.)

Average hourly earnings of all employees on private nonfarm payrolls increased by 2 cents in July to \$23.52. Over the past 12 months, average hourly earnings have risen by 1.7 percent. From June 2011 to June 2012, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 1.7 percent.

Turning now to data from the survey of households, the unemployment rate, at 8.3 percent, and the number of unemployed persons, at 12.8 million, were essentially unchanged in July. The labor force participation rate, at 63.7 percent, and the employment-population ratio, at 58.4 percent, changed little over the month. These indicators have shown little movement thus far in 2012.

Among persons who were neither working nor looking for work in July, 2.5 million were classified as marginally attached to the labor force, down 256,000 from a year earlier. These individuals had not looked for work in the 4 weeks prior to the survey but wanted a job, were available for work, and had looked for a job within the last 12 months. The number of discouraged workers, a subset of the marginally attached, was 852,000 in July, also down from a year earlier.

In summary, payroll employment rose in July (+163,000). The unemployment rate, at 8.3 percent, was essentially unchanged.