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Statement of

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Commissioner  
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Friday, August 5, 2016

Nonfarm payroll employment rose by 255,000 in July, and the unemployment rate was unchanged at 4.9 percent. Job gains occurred in professional and business services, health care, and financial activities. Employment in mining continued to trend down.

Incorporating revisions for May and June, which increased nonfarm payroll employment by 18,000, monthly job gains have averaged 190,000 over the past 3 months. In the 12 months prior to July, employment growth averaged 206,000 per month.

Employment in professional and business services rose by 70,000 in July, and has risen by 550,000 over the year. Within the industry, job gains occurred over the month in computer systems design and related services (+8,000) and architectural and engineering services (+7,000). Employment also continued to trend up in management and technical consulting services (+6,000).

Health care added 43,000 jobs in July, with gains in ambulatory health care services (+19,000), hospitals (+17,000), and nursing and residential care facilities (+7,000). Over the past 12 months, health care employment has grown by 477,000.

Employment in financial activities rose by 18,000 in July. Over the year, this industry has added 162,000 jobs.

Leisure and hospitality employment continued to trend up in July (+45,000). Within the industry, employment in food services and drinking places changed little (+21,000). Thus far this year, food services has added an average of 18,000 jobs per month, compared with an average of 30,000 per month in 2015.

Employment in government edged up in July (+38,000).

Mining employment continued to trend down in July (-6,000), and has declined by 220,000 since its recent peak in September 2014. Three-fourths of the job losses since the peak have been in support activities for mining.

Average hourly earnings of all employees on private nonfarm payrolls increased by 8 cents in July to \$25.69. Over the past 12 months, average hourly earnings have risen by 2.6 percent. From June 2015 to June 2016, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 1.1 percent (on a seasonally adjusted basis).

Most major labor market measures from the survey of households showed little or no movement in July. The

unemployment rate held at 4.9 percent, and the number of unemployed people, at 7.8 million, was essentially unchanged over the month. Both measures have shown little movement on net since August.

Among the unemployed in July, 2.0 million, or 27 percent of the total, were long-term unemployed--that is, they had been looking for work for 27 weeks or more. Long-term unemployment has shown little movement on net over the past 13 months.

The labor force participation rate was 62.8 percent in July, and the employment-population ratio was 59.7 percent. Both measures have shown little change in recent months.

Among those employed in July, 5.9 million were working part time for economic reasons, little changed from the prior month. (These individuals, also referred to as involuntary part-time workers, would have preferred full-time employment but were working part time because their hours had been cut back or because they were unable to find full-time work.)

Among people who were neither working nor looking for work in July, 2.0 million were marginally attached to the labor force, about the same as a year earlier. Discouraged workers, a subset of the marginally attached who believed that no jobs were available for them, numbered 591,000 in July, also about the same as a year earlier. (Marginally attached to the labor force refers to those who 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.)

In summary, nonfarm payroll employment rose by 255,000 in July, and the unemployment rate was unchanged at 4.9 percent.