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Statement of

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Commissioner
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Friday, October 3, 2003

The unemployment rate held at 6.1 percent in September. Nonfarm payroll employment was little changed (+57,000) over the month at 129.9 million.

The pace of job loss in manufacturing eased somewhat. In September, factory employment was down by 29,000 compared with an average monthly drop of 54,000 for the prior 12 months. The manufacturing workweek (40.4 hours) and factory overtime (4.2 hours) each increased by two-tenths of an hour over the month.

Employment in temporary help services rose (+33,000 in September) for the fifth consecutive month. Since April, the industry has added 147,000 jobs. Elsewhere in professional and business service industries, architectural and engineering services employment increased over the month.

In retail trade, employment rose at both motor vehicle and parts dealers and in building material and garden supply stores. Thus far this year, the monthly pace of job growth in the latter industry has accelerated relative to 2001 and 2002, likely reflecting home building and improvement activities. Construction employment continued to trend up over the month and, since February, has increased by 137,000.

Employment in the health care industry, typically one of the strongest areas of growth, was essentially unchanged over the month. With few exceptions, employment in most other industries was little changed in September.

Many labor market measures from the household survey showed little movement over the month. The unemployment rate remained at 6.1 percent, and the civilian labor force and employment were flat. However, the number of unemployed who had been searching for work for 27 weeks or more rose to 2.1 million. In addition, the number of persons working part time because of business and economic conditions increased to nearly 5 million. The total count of persons at work part time, however, was essentially unchanged at 24.0 million. In September, the employment-population ratio was 62.0 percent, down a percentage point from a year earlier.

Each fall, we announce the preliminary estimate of the next benchmark revision to the payroll survey. The benchmark revision is a standard annual procedure that adjusts the payroll survey's sample-based employment estimates to incorporate universe employment counts.

Preliminary tabulations of first quarter 2003 employment from state unemployment insurance tax reports-- the principal source of the universe employment counts-- indicate that the estimate of total nonfarm payroll employment will require a downward revision of approximately 145,000, or one-tenth of one percent, for the March 2003 reference month. The historical average for benchmark revisions over the past decade has been plus or minus three-tenths of one percent. Hence, the payroll survey has tracked closely to the universe employment counts for this benchmark period. When implemented in February 2004 with the release of data for January 2004, the benchmark revision will finalize payroll survey employment through March 2003 at a slightly lower level than the currently published series.

To summarize the September data released today, payroll employment was little changed over the month and the unemployment rate remained at 6.1 percent.