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Statement of

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Friday, November 4, 2016

Nonfarm payroll employment increased by 161,000 in October, and the unemployment rate was little changed at 4.9 percent. Employment continued to trend up in health care, professional and business services, and financial activities. Thus far this year, nonfarm job growth has averaged 181,000 per month, compared with an average gain of 229,000 per month in 2015.

Incorporating revisions for August and September, which increased nonfarm payroll employment by 44,000, monthly job gains have averaged 176,000 over the past 3 months.

In October, health care employment rose by 31,000, with gains in ambulatory health care services (+19,000) and hospitals (+13,000). Over the year, health care has added 415,000 jobs.

Employment in professional and business services continued to trend up over the month (+43,000) and has expanded by 542,000 over the year. Within the industry, computer systems design and related services added 8,000 jobs in October. Employment in

management and technical consulting services continued on an upward trend (+5,000).

Employment in financial activities also continued to trend up in October (+14,000). Insurance carriers and related activities added 8,000 jobs. Over the year, financial activities employment has grown by 172,000.

Employment in other major industries--mining, construction, manufacturing, wholesale trade, retail trade, transportation and warehousing, information, leisure and hospitality, and government--changed little over the month.

Average hourly earnings of all employees on private nonfarm payrolls grew by 10 cents in October to \$25.92, following an 8-cent increase in September. Over the past 12 months, average hourly earnings have risen by 2.8 percent. From September 2015 to September 2016, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 1.5 percent (on a seasonally adjusted basis).

Turning to data from the survey of households, both the unemployment rate, at 4.9 percent, and the number of unemployed people, at 7.8 million, changed little over the month and have shown little net movement since August 2015. Among the unemployed in October, 2.0 million, or 25.2 percent, had been searching for work for 27 weeks or more.

The labor force participation rate, at 62.8 percent, and the employment-population ratio, at 59.7 percent, changed little over the month. These measures have shown little movement in recent months, although both are up over the year.

Among people employed in October, the number working part time for economic reasons, also referred to as involuntary part-time workers, was 5.9 million. This measure has shown little net change over the past year.

Among people who were neither working nor looking for work, 1.7 million were marginally attached to the labor force in October, down from 1.9 million a year earlier. Discouraged workers, a subset of the marginally attached who believed that no jobs were available for them, numbered 487,000 in October, also down from a year earlier. (Marginally attached to the labor force refers to people who had not looked for work in the 4 weeks prior to the survey but wanted a job, were available to work, and had looked for a job within the last 12 months.)

In summary, nonfarm payroll employment increased by 161,000 in October, and the unemployment rate was little changed at 4.9 percent.