
Advance copies of this statement are made available to the press under lock-up conditions with the explicit understanding that the data are embargoed until 8:30 a.m. Eastern Standard Time.

Statement of

Keith Hall
Commissioner
Bureau of Labor Statistics

before the

Joint Economic Committee

UNITED STATES CONGRESS

Friday, November 6, 2009

Madam Chair and Members of the Committee:

Thank you for the opportunity to discuss the employment and unemployment data we released this morning.

In October, the unemployment rate rose to 10.2 percent, the highest rate since April 1983, and nonfarm payroll employment declined by 190,000. Since the start of the recession, payroll employment has fallen by 7.3 million.

Job losses have averaged 188,000 over the past 3 months. The declines are much smaller and less widespread than they were last fall and winter. Nevertheless, some industries are still experiencing notable employment declines. In October,

construction lost 62,000 jobs, manufacturing 61,000, and retail trade 40,000.

In construction, October job losses were concentrated among nonresidential specialty trades and heavy construction. Earlier in the recession, the residential components of construction accounted for the majority of the job losses in the industry. In manufacturing, there were notable job cuts in machinery, nonmetallic minerals, computer products, and printing in October. Retail job losses were concentrated in sporting goods and book stores and in department stores. Earlier in the downturn, large job losses were spread across a wider range of retail industries.

One of the few industries where employment continued to grow during the recession has been health care, which added 29,000 jobs in October. Employment in temporary help services rose by 34,000 over the month, the first significant increase in that industry since the start of the recession in December 2007.

Average hourly earnings of production and nonsupervisory workers in the private sector were up by 5 cents in October to \$18.72. Over the past 12 months, average hourly earnings have risen by 2.4 percent. From September 2008 to September 2009, the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) declined by 1.7 percent.

Turning to measures from the survey of households, the unemployment rate increased from 9.8 to 10.2 percent over the month. Since the recession began, the jobless rate has increased by 5.3 percentage points, while the number of unemployed has more than doubled to 15.7 million.

The number of long-term unemployed remained high. In October, 5.6 million workers had been jobless for 27 weeks or more.

Among the employed, there were 9.3 million persons working part time in October who would have preferred full-time work. The number of such workers has doubled since the start of the recession.

Among those outside the labor force--that is, persons neither working nor looking for work--the number of discouraged workers in October was 808,000, up from 484,000 a year earlier. These individuals are not currently looking for work because they believe no jobs are available for them.

In summary, nonfarm payroll employment fell by 190,000 in October, and the unemployment rate rose to 10.2 percent.

My colleagues and I now would be glad to answer your questions.