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Statement of

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Commissioner  
Bureau of Labor Statistics

Friday, December 5, 2003

Nonfarm payroll employment edged up by 57,000 in November, and the unemployment rate, at 5.9 percent, was essentially unchanged over the month. Since July, payroll employment has increased by 328,000.

Over the month, the number of jobs in health care and social assistance continued to increase, rising by 25,000 in November. The accommodations industry added 13,000 jobs, following losses that totaled 27,000 in the prior 3 months.

Although employment in professional and business services was little changed in November, employment in this sector has risen by 181,000 so far this year. About three-quarters of this gain was in temporary help services.

Construction employment continued to trend up in November; the industry has added 156,000 jobs since February.

Retail trade employment fell by 28,000 in November, largely due to the net impact of strike-related activities in food and beverage stores. In the payroll survey, workers on strike for the entire reference period are not counted as employed because they are not being paid by their employers. Although a large number of workers were off payrolls in food stores due to labor-management disputes, the hiring of replacement workers offset some of the employment decline.

The number of jobs in credit intermediation, which includes mortgage banking, declined for the second consecutive month. Since September, the industry has lost 16,000 jobs, but that follows employment gains of about a quarter million over the prior 3 years. Most of this job growth reflected increased mortgage refinancing activity, which has fallen sharply in recent months.

The pace of job losses in manufacturing has eased in recent months. Over the past 3 months, employment edged down by an average of 17,000 per month, compared with an average monthly drop of 53,000 for the 12 months ending in August. Nearly all of this relative improvement has

occurred in durable goods manufacturing, where employment was unchanged in November. The manufacturing workweek increased by 0.2 hour over the month and has risen by 0.7 hour since July. Factory overtime also has risen in recent months.

Average hourly earnings of production or nonsupervisory workers were essentially unchanged in November at \$15.46. Over the year, average hourly earnings increased by 2.1 percent. Since March 2001, the over-the-year change in average hourly earnings has dropped by 2 percentage points.

Looking at some of our measures obtained from the survey of households, the unemployment rate in November, at 5.9 percent, was about unchanged over the month but down slightly from the rates recorded during the summer. The number of unemployed persons was little changed at 8.7 million in November, and the number of individuals who had been jobless for more than half a year remained at 2.0 million. These long-term unemployed comprised nearly 1 in every 4 unemployed persons.

The employment-population ratio, the proportion of the civilian population age 16 and over that is employed, increased to 62.4 percent and is up by 0.4 percentage point from September.

In summary, nonfarm payroll employment rose for the fourth month in a row, edging up by 57,000 in November. The unemployment rate, at 5.9 percent, was essentially unchanged from October.