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Statement of

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Nonfarm payroll employment rose by 145,000 in December, and the unemployment rate was unchanged at 3.5 percent. Notable employment gains occurred in retail trade and health care, while mining lost jobs. In 2019, payroll employment growth totaled 2.1 million, compared with a gain of 2.7 million in 2018.

Incorporating revisions for October and November, which decreased payrolls by 14,000, monthly job gains averaged 184,000 over the past 3 months.

In December, employment in retail trade increased by 41,000, with job gains in clothing and accessories stores (+33,000) and in building material and garden supply stores (+7,000). For both industries, the December increase followed a decline in November. In 2019, retail trade employment changed little on net (+9,000), the second year of little employment change in the industry.

Health care added 28,000 jobs in December. Over the month, employment rose in ambulatory care services (+23,000) and hospitals (+9,000). In 2019, health care employment rose by 399,000, following an increase of 350,000 in 2018.

In December, employment in leisure and hospitality continued to trend up (+40,000). In 2019, the industry added 388,000 jobs, after a similar gain in the prior year (+359,000). Much of the job growth over the last 2 years occurred in food services and drinking places.

Mining employment fell by 8,000 in December and declined by 24,000 in 2019. In 2018, the industry added 63,000 jobs.

Construction employment changed little in December (+20,000). Over the year, the industry gained 151,000 jobs, about half of the increase in 2018 (+307,000).

Employment in professional and business services showed little change in December (+10,000), following a gain of 53,000 in November. In 2019, employment growth in this industry totaled 397,000, down from the gain of 561,000 in 2018.

Employment in transportation and warehousing changed little in December (-10,000). The industry added 57,000 jobs in 2019, about one-fourth of the gain in 2018 (+216,000).

Manufacturing employment was little changed in December (-12,000). Within durable goods manufacturing, fabricated metal

products lost 7,000 jobs. In 2019, manufacturing employment changed little (+46,000), after increasing by 264,000 in 2018.

Employment in other major industries--including wholesale trade, information, financial activities and government--also showed little change over the month.

Average hourly earnings of all employees on private nonfarm payrolls rose by 3 cents in December to \$28.32, following a gain of 9 cents in November. Over the past 12 months, average hourly earnings have risen by 2.9 percent. From November 2018 to November 2019, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 2.0 percent (on a seasonally adjusted basis).

In December, the major labor market indicators from the survey of households continued to show little or no change. Both the unemployment rate, at 3.5 percent, and the number of unemployed people, at 5.8 million, were unchanged over the month. A year earlier, the jobless rate was 3.9 percent, and the number of unemployed people was 6.3 million.

Among the unemployed, the number of people searching for work for 27 weeks or more was unchanged at 1.2 million in December. These long-term unemployed accounted for 20.5 percent of the unemployed.

The labor force participation rate remained at 63.2 percent in December. The employment-population ratio was 61.0 percent for the fourth month in a row.

In December, 4.1 million people were working part time for economic reasons (also referred to as involuntary part-time workers), little changed from the previous month but down by 507,000 over the year.

Among those neither working nor looking for work in December, 1.2 million were considered marginally attached to the labor force, down by 310,000 from a year earlier. (People who are marginally attached to the labor force 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.) Discouraged workers, a subset of the marginally attached who believed no jobs were available for them, numbered 277,000 in December, down by 98,000 from a year earlier.

Following our regular annual practice, seasonal adjustment factors for the household survey data have been updated with the release of December data. Seasonally adjusted estimates going back 5 years--to January 2015--were subject to revision.

In summary, nonfarm payroll employment rose by 145,000 in December, and the unemployment rate remained at 3.5 percent.