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Statement of

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Friday, March 6, 2020

Nonfarm payroll employment rose by 273,000 in February, and the unemployment rate was little changed at 3.5 percent. Notable employment gains occurred in health care and social assistance, food services and drinking places, government, construction, professional and technical services, and financial activities.

Incorporating revisions for December and January, which increased payroll employment by 85,000, monthly job gains have averaged 243,000 over the past 3 months.

Employment rose by 57,000 in health care and social assistance in February. Health care employment increased by 32,000, with gains in offices of physicians (+10,000), home health care services (+10,000), and hospitals (+8,000). Employment in social assistance increased by 25,000, mostly within individual and family services (+18,000). Over the year,

employment has risen by 368,000 in health care and by 191,000 in social assistance.

Employment in food services and drinking places increased by 53,000 in February. The industry has added 252,000 jobs over the past 7 months, after a lull in job growth earlier in 2019.

Government employment rose by 45,000 over the month, including an increase of 16,000 in state government education. Federal government employment increased by 8,000 in February, as 7,000 temporary workers were hired for the 2020 Census.

Construction employment increased by 42,000 in February, following an increase of 49,000 in January. In 2019, the industry added an average of 13,000 jobs per month. In February, job gains occurred in specialty trade contractors (+26,000) and residential building (+10,000).

Professional and technical services added 32,000 jobs in February and 285,000 jobs over the past 12 months. Over the month, job gains occurred in architectural and engineering services (+10,000) and in scientific research and development services (+5,000). Employment continued to trend up in computer systems design and related services (+8,000).

Employment increased by 26,000 in financial activities over the month. Job gains occurred in real estate (+8,000) and in credit intermediation and related activities (+6,000).

Employment in other major industries--including mining, manufacturing, wholesale trade, retail trade, transportation and warehousing, and information--showed little change in February.

Average hourly earnings of all employees on private nonfarm payrolls rose by 9 cents in February to \$28.52, following a gain of 6 cents in January. Over the past 12 months, average hourly earnings have risen by 3.0 percent; the over-the-year percent change has been 3.0 percent or above for 19 consecutive months. From January 2019 to January 2020, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 2.5 percent (on a seasonally adjusted basis).

The major labor market indicators from the survey of households continued to show little or no change in February. Both the unemployment rate, at 3.5 percent, and the number of unemployed people, at 5.8 million, remained little changed over the month. The unemployment rate has been either 3.5 percent or 3.6 percent for the past 6 months.

Among the unemployed, the number of people searching for work for 27 weeks or more was about unchanged at 1.1 million in February. These long-term unemployed accounted for 19.2 percent of the unemployed.

The labor force participation rate remained at 63.4 percent in February. The employment-population ratio was little changed

at 61.1 percent but was up by 0.4 percentage point over the year.

In February, 4.3 million people were working part time for economic reasons (also referred to as involuntary part-time workers), little changed from the previous month.

Among those neither working nor looking for work in February, 1.4 million were considered marginally attached to the labor force, little changed over the month. (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 405,000 in February, also little changed from a month earlier.

Summarizing the labor market developments in February, nonfarm payroll employment rose by 273,000, and the unemployment rate was little changed at 3.5 percent.