



JULY 2010

Monthly Employment Report

August 6, 2010

SUMMARY

- **131,000 jobs lost in July**
- **Unemployment rate static at 9.5%**
- **Black unemployment rate increased to 15.6%**
- **14.6 million people remain unemployed**

	July, 2009		June, 2010		July, 2010	
	Unemp	LFP	Unemp	LFP	Unemp	LFP
Black Men, 20+	15.8%	69.4%	17.4%	69.4%	16.7%	68.8%
White men, 20+	9.1%	75.6%	8.9%	74.7%	8.8%	74.7%
Black women, 20+	11.7%	63.8%	11.8%	62.9%	12.9%	62.4%
White women, 20+	6.8%	60.4%	7.1%	59.9%	7.1%	59.8%
Black teens, 16-19	35.7%	27.7%	39.9%	23.9%	40.6%	24.2%
White teens, 16-19	22.2%	41.2%	23.2%	36.7%	23.5%	37.5%

In July, 131,000 jobs were lost -- mostly due to loss of 143,000 temporary U.S. Census jobs. Private sector jobs grew by 71,000. Unemployment rate was static at 9.5%. The small decline in the participation rate (from 64.7% to 64.6%) assisted in keeping the unemployment rate steady -- this is the 3rd consecutive monthly decline in the participation rate.

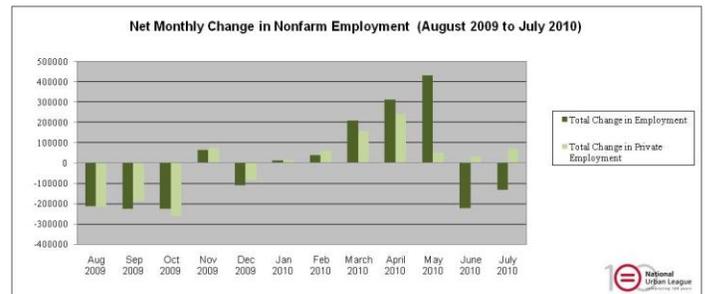
Labor Market Has Lost Momentum; Private Sector Job Growth Much Slower Since April

With 131,000 total jobs lost in July, this is the second time since January 2010 that the economy had total net job losses -- this was mainly due to loss of temporary U.S. Census jobs (-143,000). Private sector job growth in July was 71,000. From January 2010 to April 2010, private sector jobs grew at a robust rate, with 241,000 jobs added in April. However, since April the rate of growth has been much slower with 51,000 growth in May, 31,000 growth in June and 71,000 growth in July.

The black unemployment rate increased to 15.6% (from 15.4% in June) as the participation rate fell to 61.5% (from 61.9% in June):

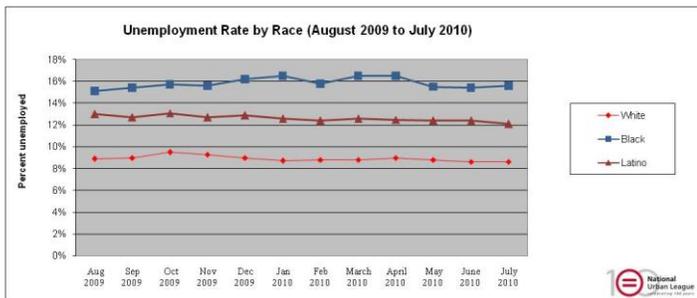
- Unemployment rate for adult black men fell (from 17.4% to 16.7%) while the unemployment rate for adult black women increased (from 11.8% to 12.9%).
- Overall participation rate fell and the participation rate for adult black men also fell (from 69.4% to 68.8%); the participation rate for adult black women also fell (from 62.9% to 62.4%).
- Overall teen unemployment rate increased (from 25.7% to 26.1%), the black teen rate also increased (from 39.9% to 40.6%).

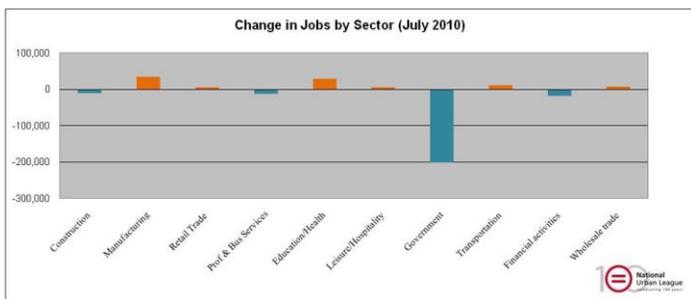
The overall white unemployment rate stayed steady (at 8.6%) and the Latino rate fell (from 12.4% to 12.1%).



Jobs Lost in Government, Financial Activities, Professional/Business Services and Construction

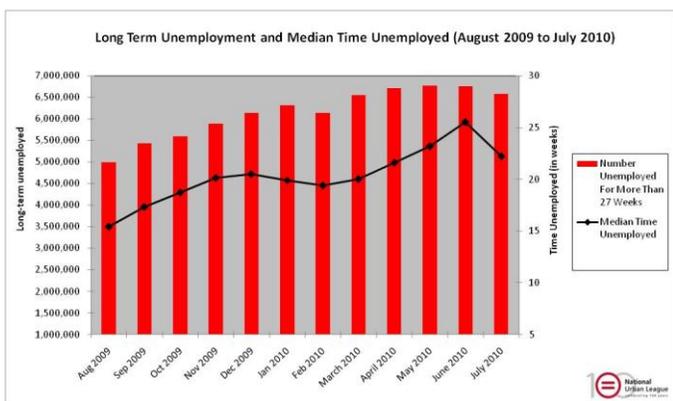
Of the major sectors of the economy, government (-202,000), financial activities (-17,000), professional/business services (-13,000) and construction lost jobs (-11,000). Jobs were added in all other major sectors. Most job growth was in manufacturing (+36,000). This was followed by education/health (+30,000), transportation (+12,200), wholesale trade (+8,400), retail trade (+6,700) and leisure/hospitality (+6,000).





Long-term Unemployment High But Fell for the 2nd Consecutive Month

In July, the total number of unemployed was essentially unchanged at 14.6 million. The percentage of unemployed that were long-term unemployed (those unemployed 27 weeks or longer) declined slightly to 44.9% (from 45.5% in June), but the rate of long-term unemployment remains at record highs. The 2nd consecutive monthly decline in the long-term unemployment rate is a positive sign but is related to the fall in the participation rate. The number of people working part-time for economic reasons decreased from 8.6 million to 8.5 million. If you count this group and marginally attached workers, as well as the officially unemployed, the under-employment rate for July was steady at 16.5%.



Slower Increase in Marginally Attached Workers

In July, 2.6 million people were marginally attached to the labor force (not seasonally adjusted), an increase of 31,000 from June. This population represents those who had looked for a job sometime in the last 12 months, but not in the last month and therefore were not counted in the unemployment rate. Of these, 1.2 million were discouraged (people not looking for work because they believed no jobs were available for them), a decline of 22,000 from June.

Real Wages Increased at a Higher Rate Due to Low Inflation

Average hourly wages of nonsupervisory and production workers in the private nonfarm sector increased slightly to \$19.04 (adjusted) and average weekly earnings also increased to \$637.84. Average weekly hours increased slightly to 33.5 hours/week (adjusted). In the 12 months from June 2009 to June 2010, average hourly earnings rose by 3.3% and weekly earnings rose by 3.8%. The Consumer Price Index for Urban Wage Earners (CPI-W), a measure of inflation, increased by 1.1% over this period, so real hourly and weekly earnings increased at annualized rates of 2.2% and 2.7%, respectively.



State Unemployment Situation for June

In state unemployment data for June (July is not available yet) payroll employment increased in 21 states and the District of Columbia, decreased in 27 states and 2 states had no change. 5 states recorded over-the-month unemployment rate increases and 39 states (and District of Columbia) registered unemployment rate decreases. 6 states had no change in unemployment rate. The largest gains in payroll employment occurred in Texas (+14,200), Kentucky (+6,200) and Arkansas (+6,000). The state with the most job losses was California (-27,600), followed by New York (-22,500) and Tennessee (-20,800). Nevada surpassed Michigan for the 2nd month as the state with the highest unemployment rate (14.2%) – this is the 2nd time since April 2006 that a state other than Michigan had the highest unemployment rate. Nevada was followed by Michigan (13.2%), California (12.3%) and Rhode Island (12.0%). North Dakota continued to register the lowest jobless rate at 3.6% in June.