Federal data: Hiring continues at slow, steady pace

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By Katie Eder

Though an earlier measure of private-sector employment showed robust December job growth, the Bureau of Labor Statistics today reported U.S. employers added 155,000 jobs last month, maintaining the year's steady hiring pace and holding the unemployment rate at 7.8 percent.

"This still looks like a slow and steady recovery, as we're not seeing enough jobs come back to take a big bite out of the unemployment rate," said Kurt W. Rothoff, assistant professor of economics and finance at the Stillman School of Business at Seton Hall University. "We're moving in the right direction, but not quickly enough."

While Labor said 47,000 fewer jobs were created in October than it originally reported, November's employment number was revised upward, from 146,000 jobs to 161,000 jobs. But the revised two-month employment gain of 298,000 jobs falls below the 330,000 jobs Labor first said were added to the national economy in October and November.

With today's revisions, the pace of hiring in 2012 matched employment growth in 2011, as the economy gained an average of 153,000 jobs per month throughout both years, Labor reported.

Moody's Analytics chief economist Mark Zandi, who co-authors a private-sector employment report with Roseland-based Automatic Data Processing, said that pace won't change in the months ahead, but Rothoff expects job creation to improve in early 2013, with fiscal uncertainties starting to dissolve and the nation's housing market showing signs of recovery.

"The best news is there wasn't a big fear of the fiscal cliff in the jobs data, and people are starting to step out into areas where they've been cautious for the last few years," Rothoff said. "Now that businesses have more knowledge on new tax rates for 2013, hopefully we'll see hiring start ticking up."

According to Labor, the private sector added 168,000 jobs in December, while the public sector shed 13,000 jobs, mostly at the local government level. Though employment growth in the goods-producing sector continues to lag the service-providing industry, the construction and manufacturing sectors increased payrolls by a combined 55,000 jobs last month.

Other industry sectors that recorded significant job growth for the month include education and health services, with 65,000 jobs; leisure and hospitality, with 31,000 jobs; and professional and business services, with 19,000 jobs.