

Payroll employment in 2009: job losses continue

Megan M. Barker and Adam A. Hadi

Megan M. Barker and Adam A. Hadi are economists in the National Estimates Branch, Office of Employment and Unemployment Statistics, Bureau of Labor Statistics. E-mail: barker.megan@bls.gov or hadi.adam@bls.gov

ABSTRACT

Employment declined by 4.7 million in 2009, the largest calendar-year job loss in the history of the series (since 1939); although payrolls declined sharply at the beginning of the year, job losses moderated thereafter.

► [Download full article in PDF](#)

EXCERPT

Ten months into the recession that began in December 2007, job losses accelerated, breaking from the trends of the previous two recessions, in early 1990 and early 2000.¹ With the worsening crisis in the financial sector in late 2008, employees in most industries felt the impact. Payroll employment losses accelerated, and the largest 1-month job loss (779,000) of the recession occurred in January 2009. Employment declines moderated throughout the rest of the year. (See chart 1.) In 2009, nonfarm payroll employment, as measured by the Current Employment Statistics (CES) survey,² declined by 4.7 million, to 130 million. Construction and manufacturing shed the most jobs during the year, while health services continued to add employees to payrolls.

As total nonfarm employment losses moderated in the second half of the year, other economic indicators also suggested an improvement in the general health of the U.S. economy. (See tables 1?.) The gross domestic product (GDP) posted growth in the third and fourth quarters, after the previous four quarters saw losses. Corporate profits also grew in the third and fourth quarters, and the composite index of economic indicators gradually improved throughout the year. In the labor market, temporary help services not only saw job losses moderate, but also began to add jobs in the last few months of the year. Firms often purchase such services before hiring permanent labor. Some firms also may increase the worktime of their employees before adding new hires. Thus, in manufacturing, average weekly hours of production and nonsupervisory employees improved by 1.1 hours per week between March and December of

This excerpt is from an article published in the March 2010 issue of the *Monthly Labor Review*. The full text of the article is available in Adobe Acrobat's Portable Document Format (PDF). See [How to view a PDF file](#) for more information.

▶ [Download full article in PDF](#)

Footnotes

[1](#) Recessions are identified by the National Bureau of Economic Research (NBER), which has not yet identified an end point for the recession that began in December 2007. (See details on the Internet at www.nber.org/cycles/cyclesmain.html (visited Mar. 12, 2010).) According to the NBER, the previous two recessions were from March 2001 to November 2001 and from July 1990 to March 1991.

[2](#) The Current Employment Statistics (CES) survey is a monthly survey of about 150,000 nonfarm business and government agencies representing approximately 390,000 individual worksites. For more information on the program's concepts and methodology, see "Technical Notes to Establishment Survey Data Published in *Employment and Earnings*," in *Current Employment Statistics* (CES) (National) (Bureau of Labor Statistics, Feb. 17, 2010), on the Internet at www.bls.gov/web/cestn2.htm (visited Mar. 23, 2010). CES data are presented in *Current Employment Statistics* (CES) (National) (Bureau of Labor Statistics, no date), on the Internet at www.bls.gov/ces (visited Feb. 5, 2010). The CES data used in this article are seasonally adjusted unless otherwise noted.

Related BLS programs

[Current Employment Statistics](#)

Related *Monthly Labor Review* articles

[Substantial job losses in 2008: weakness broadens and deepens across industries.—Mar. 2009.](#)

[Payroll employment in 2007: job growth slows.—Mar. 2008.](#)

[Payroll employment and job openings rate continued to grow in 2006.—Mar. 2007.](#)

[Payroll employment in 2005: recovery and expansion.—Mar. 2006.](#)

[Payroll employment grows in 2004.—Mar. 2005.](#)

[The U.S. labor market in 2003: signs of improvement by year's end.—Mar. 2004.](#)

Within *Monthly Labor Review Online*:

[Welcome](#) | [Current Issue](#) | [Index](#) | [Subscribe](#) | [Archives](#)

Exit *Monthly Labor Review Online*:

[BLS Home](#) | [Publications & Research Papers](#)