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Statement of

Erica L. Groshen
Commissioner
Bureau of Labor Statistics

Friday, February 7, 2014

Nonfarm payroll employment increased by 113,000 in January, and the unemployment rate, at 6.6 percent, changed little.

Private-sector employment grew by 142,000. Employment rose in construction, manufacturing, wholesale trade, and mining.

Incorporating the revisions for November and December, which increased nonfarm employment by 34,000 on net, monthly job gains have averaged 154,000 over the past 3 months. In 2013, employment growth averaged 194,000 per month.

Construction added 48,000 jobs in January, more than offsetting a loss in December. In January, employment rose in both residential and nonresidential building (+13,000 and +8,000, respectively) and in nonresidential specialty trade contractors (+13,000). Heavy and civil engineering construction added 10,000 jobs.

Manufacturing employment increased by 21,000 in January.

Job gains occurred in machinery (+7,000), wood products

(+5,000), and motor vehicles and parts (+5,000). In 2013,

employment growth in manufacturing averaged 7,000 per month.

In January, wholesale trade employment rose by 14,000, mostly in nondurable goods. Over the prior 12 months, wholesale trade added an average of 8,000 jobs per month.

Mining employment increased by 7,000 in January. In 2013, employment growth in mining averaged 2,000 per month.

Professional and technical services employment rose by 20,000 in January. Job growth averaged 17,000 per month in 2013.

Employment in leisure and hospitality continued to trend up in January (+24,000). Over the prior 12 months, leisure and hospitality added an average of 38,000 jobs per month.

In January, health care employment was essentially unchanged for the second consecutive month. In 2013, health care added an average of 17,000 jobs per month.

Retail trade employment changed little in January (-13,000). A large job loss in sporting goods, hobby, book, and music stores (-22,000) offset gains in the prior 3 months.

Employment rose by 7,000 in motor vehicle and parts dealers over the month.

Federal government employment declined by 12,000 in January. Over the past 12 months, federal government employment has decreased by 85,000, or 3.0 percent.

Average hourly earnings of all employees on private nonfarm payrolls rose by 5 cents in January to \$24.21. Over the past 12 months, average hourly earnings have risen by 1.9 percent. From December 2012 to December 2013, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 1.5 percent.

The establishment survey data released today reflect the incorporation of annual benchmark revisions. Each year, we re-anchor our sample-based survey estimates to full universe counts of employment, primarily derived from administrative records of the unemployment insurance tax system. The level of nonfarm payroll employment in March 2013 was revised up by 347,000 (not seasonally adjusted) or 0.3 percent. The average benchmark revision over the past 10 years was plus or minus 0.3 percent. (Further information about the benchmark revision and its impact is contained in our news release and on our Web site at www.bls.gov/web/empsit/cesbmart.htm.)

In accordance with usual practice, household survey data for January reflect updated population estimates from the U.S. Census Bureau. This year, the impact of the new controls on the unemployment rate and other major household survey measures is

negligible. (Additional information can be found in our news release and on our Web site at www.bls.gov/cps/cps14adj.pdf.)

Returning to the data for January, both the unemployment rate, at 6.6 percent, and the number of unemployed persons, at 10.2 million, changed little. The unemployment rate has declined by 0.6 percentage point since October. In January, the number of persons jobless for 27 weeks and over declined by 232,000 to 3.6 million, or 35.8 percent of total unemployment.

The labor force participation rate edged up to 63.0 percent in January. The employment-population ratio increased to 58.8 percent. Among the employed, the number of persons working part time for economic reasons fell by 514,000 to 7.3 million. These individuals would have preferred full-time employment, but had their hours cut or were unable to find full-time work.

In summary, nonfarm payroll employment increased by 113,000 in January, and the unemployment rate was little changed at 6.6 percent.