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Statement of

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Commissioner
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Nonfarm payroll employment rose by 225,000 in January, and the unemployment rate was little changed at 3.6 percent. Notable employment gains occurred in construction, in health care, and in transportation and warehousing. In 2019, job growth averaged 175,000 per month.

Incorporating revisions for November and December, which increased payroll employment by 7,000, monthly job gains have averaged 211,000 over the past 3 months.

Construction employment rose by 44,000 in January. Job gains were concentrated in specialty trade contractors, with increases about equally split between the residential (+18,000) and nonresidential (+17,000) components. In 2019, construction added an average of 12,000 jobs per month.

Employment in health care increased by 36,000 in January, about in line with the average monthly gain in 2019 (+29,000).

Over the month, employment rose in ambulatory care services (+23,000) and hospitals (+10,000).

In January, employment in transportation and warehousing increased by 28,000, driven by gains in couriers and messengers (+14,000) and in warehousing and storage (+6,000). These two industries accounted for about four-fifths of the over-the-year growth in transportation and warehousing (+106,000).

Employment in leisure and hospitality continued to trend up in January (+36,000). The industry has added 288,000 jobs over the past 6 months.

Over the month, employment also continued to trend up in professional and business services (+21,000). The industry has added 390,000 jobs over the year.

Manufacturing employment changed little in January (-12,000) and has shown little movement, on net, over the year. Motor vehicles and parts lost 11,000 jobs in January.

Employment in other major industries--including mining, wholesale trade, retail trade, information, financial activities, and government--showed little change over the month.

Average hourly earnings of all employees on private nonfarm payrolls rose by 7 cents in January to \$28.44, following a gain of 3 cents in December. Over the past 12 months, average hourly earnings have risen by 3.1 percent; the over-the-year percent change has been 3.0 percent or above for 18 consecutive months.

From December 2018 to December 2019, the Consumer Price Index for All Urban Consumers (CPI-U) increased by 2.3 percent (on a seasonally adjusted basis).

The major labor market indicators from the survey of households continued to show little or no change in January. Both the unemployment rate, at 3.6 percent, and the number of unemployed people, at 5.9 million, were little changed over the month.

Among the unemployed, the number of people searching for work for 27 weeks or more was essentially unchanged at 1.2 million in January. These long-term unemployed accounted for 19.9 percent of the unemployed.

The labor force participation rate edged up to 63.4 percent in January. The employment-population ratio was little changed at 61.2 percent.

In January, 4.2 million people were working part time for economic reasons (also referred to as involuntary part-time workers), essentially unchanged from the previous month.

Among those neither working nor looking for work in January, 1.3 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 337,000 in January, also little changed from a month earlier.

Following our usual practice, there were routine annual adjustments to the data from our two surveys. 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 the Quarterly Census of Employment and Wages, which counts jobs covered by the unemployment insurance tax system. The level of nonfarm payroll employment in March 2019 was revised down by 514,000, or -0.3 percent. The average benchmark revision over the past 10 years was plus or minus 0.2 percent. (Additional information about the benchmark revision and its impact is contained in our news release and on our website at www.bls.gov/web/empsit/cesbmart.htm.)

Household survey data for January reflect updated population estimates from the U.S. Census Bureau. Again this year, the impact of the new population controls on the unemployment rate and other ratios was negligible. (Further information can be found in our news release and on our website at www.bls.gov/web/empsit/cps-pop-control-adjustments.pdf.)

Summarizing the labor market developments in January, nonfarm payroll employment rose by 225,000, and the unemployment rate was little changed at 3.6 percent.