Nonfarm payroll employment increased by 467,000 in January, and the unemployment rate was little changed at 4.0 percent. Employment growth continued in leisure and hospitality, in professional and business services, in retail trade, and in transportation and warehousing.

Employment has increased by 19.1 million since April 2020 but is down by 2.9 million, or 1.9 percent, from its level before the onset of the coronavirus (COVID-19) pandemic in February 2020. Monthly job growth averaged 555,000 in 2021.

Leisure and hospitality continued adding jobs in January (+151,000). Employment in the industry grew by 2.4 million over the year but is down by 1.8 million, or 10.3 percent, from its February 2020 level. Within the industry, food services and drinking places (+108,000) and accommodation (+23,000) added jobs in January.
Professional and business services employment continued to grow in January (+86,000). Over the month, job growth occurred in management and technical consulting services (+16,000), computer systems design and related services (+15,000), architectural and engineering services (+8,000), and other professional and technical services (+7,000). Employment continued trending up in temporary help services (+26,000). Employment in professional and business services is 511,000 higher than in February 2020, largely in temporary help services (+185,000), computer systems design and related services (+161,000), and management and technical consulting services (+151,000).

In January, retail trade continued adding jobs (+61,000). Over the month, employment increased in general merchandise stores (+29,000); health and personal care stores (+11,000); sporting goods, hobby, book, and music stores (+7,000); and building material and garden supply stores (+6,000). Retail trade employment is 61,000 higher than in February 2020.

Job growth continued in transportation and warehousing in January (+54,000). Employment grew in couriers and messengers (+21,000), warehousing and storage (+13,000), truck transportation (+8,000), and air transportation (+7,000). Employment in transportation and warehousing is 542,000 above its February 2020 level, with particularly strong growth in
warehousing and storage (+410,000) and couriers and messengers (+236,000).

In January, employment rose by 29,000 in local government education, while state government education was essentially unchanged (-1,000). Private education employment continued to trend up over the month (+13,000). Since February 2020, employment is down by 359,000 in local government education, by 87,000 in private education, and by 31,000 in state government education.

Health care employment continued trending up in January (+18,000). Over the year, health care employment has increased by 175,000 but is 378,000 below its February 2020 level.

Employment in wholesale trade grew by 16,000 in January, with gains in both durable goods (+11,000) and nondurable goods (+8,000). Over the year, employment in the industry has increased by 156,000 but is 125,000 below its February 2020 level.

Employment showed little change over the month in other major industries, including mining, construction, manufacturing, information, financial activities, and other services.

In January, the average workweek for all private-sector workers fell by 0.2 hour to 34.5 hours. The average workweek for manufacturing edged down by 0.1 hour to 40.2 hours.
Average hourly earnings of all employees on private nonfarm payrolls increased by 23 cents to $31.63 in January. Over the past 12 months, average hourly earnings have increased by 5.7 percent.

Following our usual practice, the establishment survey data released today reflect the incorporation of annual benchmark revisions. Each year, we re-anchor or benchmark 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. Payroll employment for March 2021 was revised upward by 374,000. On a not seasonally adjusted basis, total nonfarm employment for March 2021 was revised downward by 7,000, or less than -0.05 percent. Not seasonally adjusted, the absolute average benchmark revision over the past 10 years is 0.1 percent.

Also, in accordance with usual practice, we updated seasonal adjustment models and revised the latest 5 years of data (back to January 2017). These models remove normal seasonal fluctuations—such as regular employment changes due to major holidays—from our data series, making it easier to observe cyclical and other economic trends. Now that we have more monthly observations related to the historically large job losses and gains seen in the pandemic-driven recession and
recovery, the models can better distinguish normal seasonal movements from underlying trends. As a result, some large revisions to seasonally adjusted data occurred with our updated models; however, these monthly changes mostly offset each other. For example, the over-the-month change in employment for November and December 2021 combined is 709,000 higher than previously reported, while the over-the-month change in employment for June and July 2021 combined is 807,000 lower. Overall, the 2021 over-the-year change is 217,000 higher than previously reported. Going forward, the updated models should produce more reliable estimates of seasonal movements. (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.)

Before we turn to data from the household survey, it should be noted that the household data for January reflect updated population estimates from the U.S. Census Bureau, as is our annual practice. The change in population reflected in the new estimates results from the introduction of a blended 2020 population base, which combines population totals from the 2020 Census and demographic characteristics from other sources. It also reflects adjustments for net international migration, updated vital statistics, and estimation methodology improvements. The impact of the new controls on the unemployment
rate is negligible. However, the labor force participation rate and the employment-population ratio increased due to changes in the composition of the population. (Further information can be found in our news release and on our website at www.bls.gov/web/empsit/cps-pop-control-adjustments.pdf.)

Turning to the labor market indicators from the household survey, both the unemployment rate, at 4.0 percent, and the number of unemployed people, at 6.5 million, were little changed in January. Over the year, the unemployment rate is down by 2.4 percentage points, and the number of unemployed people is down by 3.7 million. Both measures have fallen from their recent peaks in April 2020 but remain above their February 2020 levels (3.5 percent and 5.7 million, respectively).

Among the major worker groups, the unemployment rates for adult men (3.8 percent) and Whites (3.4 percent) edged up in January. The jobless rates for adult women (3.6 percent), teenagers (10.9 percent), Blacks (6.9 percent), Asians (3.6 percent), and Hispanics (4.9 percent) showed little or no change.

Among the unemployed, the number of job leavers increased to 952,000 in January, following a decrease in the prior month. The number of people on temporary layoff, at 959,000 in January, also rose over the month but is down by 1.8 million over the year. The number of permanent job losers, at 1.6 million, was
little changed in January. This measure is down by 1.9 million from a year earlier but is above its February 2020 level of 1.3 million.

In January, the number of people jobless less than 5 weeks increased to 2.4 million and accounted for 37.0 percent of the total unemployed. The number of people unemployed for 27 weeks or more (often referred to as the long-term unemployed) declined to 1.7 million in January. This measure is down from 4.0 million a year earlier but is 570,000 above its February 2020 level. In January, the long-term unemployed accounted for 25.9 percent of the unemployed.

After accounting for the annual adjustments to the population controls, the labor force participation rate held at 62.2 percent in January, and the employment-population ratio, at 59.7 percent, was little changed. Both measures are up over the year but remain below their February 2020 levels (63.4 percent and 61.2 percent, respectively).

In January, the number of people working part time for economic reasons, at 3.7 million, continued to trend down. This measure has fallen by 2.2 million over the year and is 673,000 lower than in February 2020.

The number of people not in the labor force who currently want a job, at 5.7 million, changed little in January but is
down by 1.3 million over the year. This measure remains above its February 2020 level of 5.0 million.

Among those who were not in the labor force but wanted a job, 1.5 million were marginally attached to the labor force in January, also little changed over the month. (People who are marginally attached to the labor force had not actively 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.) The number of discouraged workers, a subset of the marginally attached who believed that no jobs were available for them, was little changed at 408,000 in January.

Looking at supplemental pandemic-related measures from the household survey (these supplemental data are not seasonally adjusted), the share of employed people who teleworked because of the pandemic increased to 15.4 percent in January. These data refer only to employed people who teleworked or worked from home for pay at some point in the last 4 weeks specifically because of the pandemic; they do not include all instances of telework.

In January, the number of people who reported that they had been unable to work because their employer closed or lost business due to the pandemic rose to 6.0 million. (These individuals did not work at all or worked fewer hours at some point in the last 4 weeks due to the pandemic.)
Among those who reported in January that they were unable to work because of pandemic-related closures or lost business, 23.7 percent received at least some pay from their employer for the hours not worked, up from the prior month.

Among those not in the labor force in January, 1.8 million people were prevented from looking for work due to the pandemic, up from December. (To be counted as unemployed, by definition, individuals must either be actively searching for work or on temporary layoff.)

In summary, nonfarm payroll employment increased by 467,000 in January, and the unemployment rate changed little at 4.0 percent.