Nonfarm payroll employment posted a net gain of 112,000 jobs in January 2004, its fifth consecutive monthly gain. The employment increase for December 2003 was revised to 16,000. Total payroll has increased by 366,000 jobs since last September.

Construction remained strong, making a net gain of 24,000 jobs in January, which brought the sector’s increase to 147,000 jobs since March 2003. Employment in health and education services continued to grow, rising by 22,000 jobs in January and bringing its gain to an impressive 1.5 million jobs over the last three years. 

Manufacturing employment continued to fall, but much more slowly than before; it was down 11,000 jobs in January, compared to its average monthly loss of 49,000 in 2003. Information services posted a net loss of 10,000 jobs in January 2004; the sector’s employment decreased by 117,000 in 2003. Professional and business services declined by 22,000 jobs in January 2004, after an increase of 45,000 jobs the month before. The household unemployment rate in January 2004 decreased 0.1 percentage point to 5.6%—a significant drop from its peak of 6.3% in June 2003. 

The employment-to-population ratio rose to 62.4%, continuing the upward trend that began in October 2003. Effective February 2004, the Bureau of Labor Statistics implemented revisions in the establishment-based employment series to reflect the annual benchmark adjustments; it also updated the seasonal adjustment factors. The revisions lowered the employment numbers for the reference month, March 2003, by about 122,000. Incorporating the new seasonal adjustment factors has smoothed the 2003 employment growth pattern.