



The Daily Dish

January Jobs

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REVISIONS TO THE POPULATION ESTIMATES

Friday's January 2025 jobs report from the Bureau of Labor Statistics (BLS) will release the Current Population Survey (CPS) - more commonly known as the household survey - using updated population control estimates from the U.S. Census Bureau. As is customary, the BLS will not revise historical CPS data using the new population controls and [warned](#) that the "household survey data for January 2025 will not be directly comparable with data for December 2024 or earlier periods."

Much of the change in population estimates resulted from a significant undercount of net international migration. The U.S. Census Bureau [press](#) release explained that an improvement in methodology will help the agency "better capture the recent fluctuations in net international migration," and included a table comparing net international migration estimates in Vintage 2024 and Vintage 2023 population estimates.

Comparison of Net International Migration Estimates in the Vintage 2024 and Vintage 2023 Population Estimates

Period	Net international migration			
	Vintage 2024	Vintage 2023	Difference ¹	
			Numeric	Percent
April 1, 2020, to June 30, 2020	19,335	19,335	Z	Z
July 1, 2020, to June 30, 2021	379,402	379,402	Z	Z
July 1, 2021, to June 30, 2022	1,693,263	998,983	694,280	69.5
July 1, 2022, to June 30, 2023	2,289,938	1,135,220	1,154,718	101.7
July 1, 2023, to June 30, 2024	2,785,517	X	X	X

The Vintage 2024 estimate of net international migration was 69.5 percent higher from July 1, 2021, to June 30, 2022, and 101.7 percent higher from July 1, 2022, to June 30, 2023. Net international migration accounted for 84 percent of the nation’s 3.3-million population increase between July 1, 2023, and June 30, 2024, [according](#) to the U.S. Census. The revisions will likely have a significant impact on the job report’s estimates of population, labor force, and employment level and will undoubtedly cause a break in the data. Ratios – including the employment-to-population and labor force participation ratios – will likely see minimal impact.

The BLS will also release its final annual benchmark revisions to the Current Employment Statistics (CES), known as the establishment survey. Back in August, the BLS [published](#) a preliminary estimate of these revisions that showed 818,000 fewer nonfarm payroll jobs (0.5 percent of total nonfarm payrolls) were created between April 2023 and March 2024 than originally estimated. That translates to roughly 68,000 fewer jobs per month and was the largest revision since 2009. The payroll survey data, unlike the household data, are revised historically. The CES will also include revisions to seasonally adjusted data going back five years and data after March 2024 will be based on new birth-death model projections.

FREDDY’S FORECAST: JANUARY JOBS

The December jobs report showed employers added 256,000 new hires to the payrolls while the unemployment rate dipped to 4.1 percent from 4.2 percent in November. Combined revisions to October and November employment were 8,000 lower than previously reported. Hourly earnings growth remained steady at 3.9 percent over the past 12 months.

Since the last report, labor market data have been mixed. ADP reported that private-sector employment increased by 183,000 jobs in January, but the hiring was exclusive to the services sector. Manufacturing employment remained weak, shedding 13,000 jobs. Details in the report showed that hiring in the leisure and hospitality sector remained strong, adding 54,000 workers to the payrolls.

JOLTS data showed that job openings slipped to 7.6 million in December, down from roughly 8.2 million in the prior month and around 8.9 million in December 2023. The layoff rate remained steady at 1.1 percent, near historic lows.

Data from the Institute for Supply Management showed that the manufacturing sector expanded in January after 26 consecutive months of contraction. Survey respondents voiced concerns over potential tariffs. The manufacturers employment index returned to expansion after contracting in 14 of the past 16 months. Activity in the services sector expanded for the seventh-straight month in January, albeit at a slower pace than the prior month. The services employment index increased 1.0 percentage point, indicating a fourth-straight month of expansion.

High-frequency data from the Department of Labor showed that weekly initial jobless claims remained steady in the week ending February 1 at 219,000. Continued claims remained range bound at 1.886 million during the week.

Expect a topline payroll number of 185,000, stronger than the three-month average of 170,000. The unemployment rate is likely to hold steady at 4.1 percent while growth in average hourly earnings will increase by 0.3 percent, or 11 cents.