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The BLS's U.S. January jobs report was released this morning and it includes not only the latest monthly jobs numbers, but also benchmark revisions. We regard this jobs report as a fairly positive one, but for reasons which are different than those cited by most economists.

First, we dismiss the unemployment rate altogether. The unemployment rate is simply not an accurate measure of labor market health. The Financial Crisis and Great Recession drove millions of Americans out of the labor force. The overwhelming majority have remained sidelined from productive economic activity.

What we watch carefully is labor force participation, and the latest jobs report has modestly good news. Labor force participation ticked up, as increasing wages drew more than 300 thousand people back in to the labor force.

Prior to Friday's report, labor force participation stood at a low not seen since August 1978. With the latest increases, you only have to go back to May 1979 to find participation this weak.

Despite modest gains detailed in this report, the labor market is still weak from a historic perspective. If the labor force participation rate were the same as it was prior the Great Recession, today's unemployment rate would be over 7 percent, nearly double the current rate.

In the latest report, construction jobs continue to be a sign of good news. Over the twelve months of 2019, construction jobs grew at a rate more than double that of all jobs. The January number was strong even compared to the past twelve months.