



# Joint Economic Committee

## *Republicans*

Representative David Schweikert • Vice Chairman

October 2023 Employment Report

Republican Staff Commentary

### **KEY TAKEAWAYS**

At 8:30am, BLS [announced](#) that in Oct:

Establishment Survey:

- The U.S. added 150k nonfarm jobs w/ gains in healthcare (58k), government (51k), and social assistance (19k) but saw declines in manufacturing (-35k) due to the auto strike.
- Of those jobs, 99k were private sector vs. the ADP's [estimate](#) of 113k.
- Jobs numbers for Sep and Aug were both revised down. In total, 101k fewer jobs were created than previously estimated. Sep's blowout was revised down to under 300k.
- The JEC macro model had a sizable forecast miss (150k vs. 207k projected). Adjusting for the impact of the autos strike, the model's forecast was much closer.

Household Survey:

- Headline unemployment rate ticked up to 3.9% while the labor force participation rate ticked down to 62.7%. (BLS would say these changes are not "statistically significant.")
- The U-6 unemployment rate rose to 7.2% from 7.0%. U-6 is a broader definition that includes "marginally attached" workers + workers part-time for economic reasons.
- According to the household survey's alternative measure, the U.S. economy lost 348k jobs. The household survey figure is often a better indicator of the start of recessions.

**Table 1. Labor Indicators****11/3/2023**

	<b>Oct 2023</b>	<b>Sep 2023</b>	<b>Difference</b>
Jobs Added (thousands)			
Nonfarm	150k	297k	<b>-147k</b>
Total Private	99k	246k	<b>-147k</b>
Unemployment			
Official Rate (U-3)	3.9%	3.8%	<b>0.1%</b>
Broader Rate (U-6)	7.2%	7.0%	<b>0.2%</b>
Labor Force Participation Rate			
16 yrs. And older	62.7%	62.8%	<b>-0.1%</b>
Prime age (24 to 54 yrs.)	83.3%	83.5%	<b>-0.2%</b>
Employment-to-Population Ratio	60.2%	60.4%	<b>-0.2%</b>
Nominal Average Hourly Earnings			
M/M	0.2%	0.3%	<b>-0.1%</b>
Y/Y	4.1%	4.3%	<b>-0.2%</b>

**Source:** Bureau of Labor Statistics, JEC Republican Staff**Table 2. ADP Estimate****11/3/2023**

	<b>BLS</b>	<b>ADP</b>	<b>Difference</b>
Private Nonfarm Jobs Added (Thousands)	99k	113k	<b>-14k</b>

**Source:** Bureau of Labor Statistics, ADP, JEC Republican Staff**Table 3. BLS Revisions****11/3/2023**

	<b>First</b>	<b>Second</b>	<b>Third</b>	<b>Net Revision</b>
Nonfarm Jobs Added (thousands)				
Sep-23	336k	297k		<b>-39k</b>
Aug-23	187k	227k	165k	<b>-22k</b>

**Source:** Bureau of Labor Statistics, JEC Republican Staff

## **Econ Calendar**

<b>Date</b>	<b>Time (ET)</b>	<b>Release</b>
Nov 14	08:30AM	Consumer Price Index JEC State Inflation Tracker
Nov 17	10:00AM	State-level Unemployment
Nov 30	08:30AM	Personal Income and Outlays
Dec 13	02:00PM	Federal Reserve Announcement
	02:30PM	Fed Chairman Powell Presser
Nov 03	08:30AM	Employment Situation Report

## **Legend**

m/m = month over month; q/q = quarter over year; y/y = year over year  
SA = seasonally adjusted; SAAR = seasonally adjusted annual rate  
% = percentage points; bps = basis points (1/100ths of a %)