2023 PA Payroll Jobs Revised Down 53,400   IFO

On February 22, 2024, the U.S. Bureau of Labor Statistics (BLS) released 2023 Q3 state-level data for the **Quarterly Census of Employment and Wages (QCEW)** database. The data include all employers that are part of the state unemployment insurance system and reflect jobs and wage data reported in monthly and quarterly administrative filings. These data are used to "benchmark" more timely jobs data published monthly by the BLS in their **Current Employment Survey (CES)** data series, which are based on surveys and imputed jobs created by new firms. (Note: Both series exclude self-employed.) On March 11, the BLS published preliminary state-level CES jobs data for January 2024 and revised prior months due to the benchmark. The revised data show a revision of -53,400 (-0.9%) payroll jobs for calendar year (CY) 2023.[1]

2023 PA Payroll Jobs Revision

	Number	Percent
All Payroll Jobs (000s)	**-53.4**	**-0.9%**
Construction	-5.4	-2.0%
Retail and Wholesale Trade	-11.4	-1.4%
Warehousing and Transport	-5.3	-1.7%
Professional and Technical	-9.6	-2.4%
Administrative and Support	-14.0	-4.5%
Healthcare and Social Assistance	-6.4	-0.6%
All Government	1.2	0.2%
All Other	-2.4	-0.1%

Note: Thousands of jobs. Excludes self-employed.
Source: U.S. Bureau of Labor Statistics.

The table displays the total average revision for the year and industry detail. The largest revision occurred for the administrative and business support services industry (-14.0, -4.5%), largely due to a negative revision for employment services (i.e., temp workers). The next largest revision was for the retail and wholesale trade industry (-11.4, -1.4%), nearly two-thirds attributable to retail establishments. The third largest revision was for the professional and technical services industry (e.g., accountants, lawyers, engineers), and roughly two-fifths of that revision was attributable to computer system design and related services.

Due to the revision, the average jobs gain for CY 2023 fell from 152,200 jobs to 102,200 jobs, a 50,000 reduction. The jobs gain reduction is somewhat less than the negative revision to the number of CY 2023 jobs because the benchmark process also reduced the number of jobs for October to December 2022. Although still robust, the revised quarterly data reveal a trend decline in year-over-year job gains for most of the year: 141,100 (Q1), 103,700 (Q2), 79,700 (Q3) and 84,200 (Q4). The unexpected uptick in the fourth quarter is preliminary and could be revised down with the next benchmark that will occur in March 2025.

For January 2024, the preliminary year-over-year jobs gain is 62,400 (non-seasonally adjusted), considerably lower than 2023 Q4, and 36,100 (0.6%) higher than the pre-Covid level from January 2020. Jobs data for February 2024 will be released March 22, and those data will provide further insights into the state labor market.

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[1] This brief uses non-seasonally adjusted data. Because comparisons are year-over-year, the computations will largely match those using seasonally adjusted data. Non-seasonally adjusted data are used to eliminate revisions caused by changes to seasonal adjustment factors, which have been difficult to estimate since 2020.