



Drivers of Premium	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Net Employment Change (Thous.)	64	-70	76	-140	41	48	130
Net Private Employment Change (Thous.)	65	-20	68	13	72	64	172
Average Hourly Earnings (y/y %)	4.0	4.0	3.8	3.9	3.9	3.7	3.7
Average Hours Worked (Hours)	34.2	34.2	34.2	34.2	34.3	34.2	34.3
Payroll (Calculated)* Growth (y/y %)	4.4	4.1	4.0	4.4	4.3	3.7	4.8

*Calculated Payroll = Total Private Employment x Average Hourly Earnings x Average Hours Worked

Drivers of Frequency	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Unemployment Rate (%)	4.3	4.3	4.4	–	4.5	4.4	4.3
Labor Force Participation Rate (%)	62.2	62.3	62.5	–	62.5	62.4	62.5
Prime Age Participation Rate (25–54, %)	83.4	83.7	83.7	–	83.8	83.8	84.1
Job Openings (Thous.)	7,208	7,227	7,658	7,449	6,928	6,542	–
Hires Rate (%)	3.3	3.2	3.4	3.4	3.2	3.3	–
Quits Rate (%)	2.0	1.9	2.0	1.9	2.0	2.0	–
Layoffs Rate (%)	1.1	1.1	1.1	1.2	1.1	1.1	–

Source: US Bureau of Labor Statistics; 1-, 3-, and 5-year averages are rolling 12-, 36-, and 60-month averages from the latest data point.

1 In January 2026, the economy added a robust 130,000 jobs overall, including 172,000 jobs in the private sector. Both numbers vastly exceeded economists' expectations. The three-month average for private sector employment growth was 103,000.

At an industry level, January's employment growth was still largely concentrated in health care, which accounted for 123,500 of the 172,000 jobs gained in the private sector. However, January also saw strong gains of 34,000 jobs in professional services and 33,000 jobs in construction, both key areas for workers compensation premium.

2 January saw a second consecutive decrease in the unemployment rate while prime age labor force participation rose to its highest level since January 2000. These data points may be an early signal that the labor market is starting to strengthen.

Annual Benchmark Revisions: This report also incorporated the benchmark revisions that were announced in August of last year. The final revisions lowered employment between April 2024 and March 2025 by 862,000 jobs. This brought full-year employment gains to 1.5 million jobs for 2024, down from 2 million, and to just 181,000 jobs for 2025, down from 584,000. With an average of 15,000 jobs added per month, 2025 saw the slowest pace of employment growth outside of a recession since 2003.

Big Picture: It was a strong start to 2026 for the labor market overall; however, recent revisions have been skewed to the downside, suggesting more information will be needed before we gain more confidence in a labor market rebound.

1-Year	3-Year	5-Year	2015–19
30	107	263	191
51	84	237	178
3.9	4.1	4.4	2.7
34.2	34.3	34.4	34.4
4.2	4.9	6.8	4.6

1-Year	3-Year	5-Year	2015–19
4.3	4.0	4.1	4.4
62.4	62.6	62.3	62.9
83.6	83.5	82.9	81.7
7,327	8,126	9,108	6,360
3.4	3.5	3.8	3.8
2.0	2.1	2.4	2.2
1.1	1.1	1.0	1.2