

ROY COOPER Governor

ANTHONY M. COPELAND Secretary

For Immediate Release: September 20, 2019 For More Information, Contact: Beth Gargan/919.814.4610

North Carolina's August Employment Figures Released

RALEIGH — The state's seasonally adjusted August unemployment rate was 4.2 percent, remaining unchanged from July's revised rate. The national rate remained unchanged from July's rate of 3.7 percent.

North Carolina's August 2019 unemployment rate increased 0.5 of a percentage point from a year ago. The number of people employed increased 14,493 over the month to 4,899,921 and increased 105,441 over the year. The number of people unemployed increased 123 over the month to 212,218 and increased 25,594 over the year.

Seasonally adjusted Total Nonfarm industry employment, as gathered through the monthly establishment survey, increased 2,300 to 4,571,600 in August. The major industries with the largest over-the-month increases were Professional & Business Services, 5,400; Financial Activities, 800; Construction, 600; Information, 500; and Mining & Logging, 100. Major industries experiencing decreases were Other Services, 2,300; Leisure & Hospitality Services, 2,200; Manufacturing, 300; and Government, 300. Trade, Transportation & Utilities and Education & Health Services employment remained unchanged.

	Aug 2018												•
N.C.	3.7	3.7	3.7	3.7	3.7	3.8	3.9	4.0	4.0	4.1	4.2	4.2	4.2
U.S.	3.8	3.7	3.8	3.7	3.9	4.0	3.8	3.8	3.6	3.6	3.7	3.7	3.7

Seasonally Adjusted Unemployment Rates since August 2018

Please note: 2018 numbers have undergone annual revision

Since August 2018, Total Nonfarm jobs increased 71,000 with the Total Private sector increasing by 67,700 and Government increasing by 3,300. The largest over-the-year increase among major industries was Trade, Transportation & Utilities at 23,500, followed by Professional & Business Services, 13,100; Leisure & Hospitality Services, 10,800; Education & Health Services, 10,400; Financial Activities, 8,700; Government, 3,300; Other Services, 3,100; and Information, 1,800. Major industries experiencing decreases were Manufacturing, 3,400; Mining & Logging, 200; and Construction, 100.

The next unemployment update is scheduled for Wednesday, October 2, 2019 when the county unemployment rates for August 2019 will be released.

These data can be accessed on the Commerce website at https://d4.nccommerce.com/

North Carolina Department of Commerce Labor and Economic Analysis Division

NORTH CAROLINA and U.S. LABOR FORCE DATA

North Carolina data is embargoed until 10:00 A.M. Friday, September 20, 2019

				Month	Ago	Year Ago	
	August 2019	July 2019	August 2018	Numeric Change	Percent Change	Numeric Change	Percent Change
North Carolina	1142 451 2017	July 2017	1148 451 2010	Change	Chunge	Change	Change
(Local Area Unemployment S	Statistics)						
Smoothed Seasonally Adjusted							
Labor Force	5,112,139	5,097,523	4,981,104	14,616	0.3	131,035	2.6
Employed	4,899,921	4,885,428	4,794,480	14,493	0.3	105,441	2.2
Unemployed	212,218	212,095	186,624	123	0.1	25,594	13.3
Unemployment Rate	4.2	4.2	3.7	0.0	ххх	0.5	xx
Not Common II. A Burded							
Not Seasonally Adjusted	5,107,836	5,178,997	4,949,551	-71,161	-1.4	158,285	3.2
Labor Force	4,887,080		4,750,792	-65,076	-1.3		
Employed							
Unemployed	220,756		198,759	-6,085	-2.7	21,997	11.1
Unemployment Rate	4.3	4.4	4.0	-0.1	XXX	0.3	XX
United States							
(Current Population Survey)	1						
Seasonally Adjusted							
Labor Force	163,922,000		161,802,000	571,000	0.3	XXX	XX
Employed	157,878,000	157,288,000	155,604,000	590,000	0.4	XXX	XX
Unemployed	6,044,000	6,063,000	6,197,000	-19,000	-0.3	XXX	XX
Unemployment Rate	3.7	3.7	3.8	0.0	XXX	ХХХ	XX
Not Seasonally Adjusted							
Labor Force	164,019,000	164,941,000	161,909,000	-922,000	-0.6	ххх	xx
Employed	157,816,000	158,385,000	155,539,000	-569,000	-0.4	ххх	xx
Unemployed	6,203,000	6,556,000	6,370,000	-353,000	-5.4	ххх	xx
	3.8	4.0	3.9	-0.2	xxx	ххх	xx
Unemployment Rate	0.0	1.0	0.0	5.4			

*Effective January 2019, updated US population estimates are used in the national labor force estimates.

The annual population adjustments affect the comparability of national labor force estimates over time.

2019 estimates for the current month are preliminary. Estimates for the previous month have undergone monthly revision. 2018 estimates have undergone annual revision.

North Carolina Department of Commerce Labor and Economic Analysis Division NORTH CAROLINA EMPLOYMENT DATA

North Carolina data is embargoed until 10:00 A.M., Friday, September 20, 2019

				Month Ago		Year Ago	
	A	L.L. 2010	A	Numeric Change	Percent Change	Numeric Change	Percent Change
North Carolina (Current Employment Statis	August 2019 stics)	July 2019	August 2018	Change	Change	Change	Change
Seasonally Adjusted							
Total Nonfarm	4,571,600	4,569,300	4,500,600	2,300	0.1	71,000	1.
Total Private	3,834,800	3,832,200	3,767,100	2,600	0.1	67,700	1.
Mining & Logging	5,600	5,500	5,800	100	1.8	-200	-3
Construction	221,200	220,600	221,300	600	0.3	-100	>-0.
Manufacturing	472,500	472,800	475,900	-300	-0.1	-3,400	-0.
Trade, Transportation & Utilities	856,800	856,800	833,300	0	0.0	23,500	2.
Information	81,400	80,900	79,600	500	0.6	1,800	2.
Financial Activities	248,500	247,700	239,800	800	0.3	8,700	3.
Professional & Business Services	652,000	646,600	638,900	5,400	0.8	13,100	2.
Education & Health Services	624,000	624,000	613,600	0	0.0	10,400	1.
Leisure & Hospitality Services	515,100	517,300	504,300	-2,200	-0.4	10,800	2.
Other Services	157,700	160,000	154,600	-2,300	-1.4	3,100	2.
Government	736,800	737,100	733,500	-300	>-0.1	3,300	0.
North Carolina (Current Employment Statis	stics)					I	I
Not Seasonally Adjusted	4 572 000	4 524 500	4 508 200	52 400	1.0	CE 400	1
Total Nonfarm	4,573,600		4,508,200	52,100	1.2	65,400	
Total Private	3,867,500		3,804,100	-3,900	-0.1	63,400	1.
Mining & Logging	5,700		5,900	100	1.8	-200	-3.
Construction	222,600		224,500	-300	-0.1	-1,900	
Manufacturing	473,400		477,400	-100	>-0.1	-4,000	
Trade, Transportation & Utilities	856,500		834,900	-3,000	-0.3	,	
Information	81,800		79,700	100	0.1		
Financial Activities	251,400		242,800	0	0.0		
Professional & Business Services	658,500		645,500	9,700			
Education & Health Services	618,100		611,800	1,200	0.2		
Leisure & Hospitality Services	539,900		525,300	-8,300	-1.5	14,600	2.
Other Services	159,600		156,300	-3,300	-2.0	3,300	2.
	706,100	650,100	704,100	56,000	8.6	2,000	0.

All 2019 Labor Force and CES data for the current month are preliminary.

All 2018 Labor Force and CES estimates have been benchmarked.

Estimates may not add to totals due to rounding.

Accessing Data

The data presented in this press release, as well as historical data, can be accessed from NC Commerce's Demand Driven Data Delivery ("D4") system: <u>https://d4.nccommerce.com/LausSelection.aspx</u> <u>https://d4.nccommerce.com/CesSelection.aspx</u>

Technical Notes

This release presents labor force and unemployment estimates from the Local Area Unemployment Statistics (LAUS) program. Also presented are nonfarm payroll employment estimates the Current Employment Statistics (CES) program. The LAUS and CES programs are both federal-state cooperative endeavors.

Labor force and unemployment--from the LAUS program

Definitions. The labor force and unemployment estimates are based on the same concepts and definitions as those used for the official national estimates obtained from the Current Population Survey (CPS), a sample survey of households that is conducted for the Bureau of Labor Statistics (BLS) by the U.S. Census Bureau. The LAUS program measures employment and unemployment on a place-of-residence basis. The universe for each is the civilian noninstitutional population 16 years of age and over. Employed persons are those who did any work at all for pay or profit in the reference week (the week including the 12th of the month) or worked 15 hours or more without pay in a family business or farm, plus those not working who had a job from which they were temporarily absent, whether or not paid, for such reasons as bad weather, labor-management dispute, illness, or vacation. Unemployed persons are those who were not employed during the reference week (based on the definition above), had actively looked for a job sometime in the 4-week period ending with the reference week, and were currently available for work; persons on lay-off expecting recall need not be looking for work to be counted as unemployed. The labor force is the sum of employed and unemployed persons. The unemployment rate is the number of unemployed as a percent of the labor force.

<u>Method of estimation</u>. Statewide estimates are produced using an estimation algorithm administered by the BLS. This method, which underwent substantial enhancement at the beginning of 2015, utilizes data from several sources, including the CPS, the CES, and state unemployment insurance (UI) programs. Each month, census division estimates are controlled to national totals, and state estimates are then controlled to their respective division totals. Substate estimates are controlled to their respective state totals. For more information about LAUS estimation procedures, see the BLS website at www.bls.gov/lau/laumthd.htm

<u>Revisions</u>. Labor force and unemployment data for the previous month reflect adjustments made in each subsequent month, while data for prior years reflect adjustments made at the end of each year. The monthly revisions incorporate updated model inputs, while the annually revised estimates reflect updated population data from the U.S. Census Bureau, any revisions in the other data sources, and model reestimation. In most years, historical data for the most recent five years (both seasonally adjusted and not seasonally adjusted) are revised near the beginning of each calendar year, prior to the release of January estimates.

Seasonal adjustment. The LAUS program introduced smoothed seasonally adjusted (SSA) estimates in January 2010. These are seasonally-adjusted data that have incorporated a longrun trend smoothing procedure, resulting in estimates that are less volatile than those previously produced. The estimates are smoothed using a filtering procedure, based on moving averages, to remove the irregular fluctuations from the seasonally-adjusted series, leaving the trend. The same process is used on both historical and current year estimates. For more information about the smoothing technique, see the BLS website at www.bls.gov/lau/lassaqa.htm.

<u>Area definitions.</u> The substate area data published in this release reflect the delineations that were issued by the U.S. Office of Management and Budget on April 10, 2018. A detailed list of the geographic definitions is available online at www.bls.gov/lau/lausmsa.htm.

Employment--from the CES program

<u>Definitions.</u> Employment data refer to persons on establishment payrolls who receive pay for any part of the pay period that includes the 12th of the month. Persons are counted at their place of work rather than at their place of residence; those appearing on more than one payroll are counted on each payroll. Industries are classified on the basis of their principal activity in accordance with the 2012 version of the North American Industry Classification System.

<u>Method of estimation.</u> CES State and Area employment data are produced using several estimation procedures. Where possible these data are produced using a "weighted link relative" estimation technique in which a ratio of current-month weighted employment to that of the previous-month weighted employment is computed from a sample of establishments reporting for both months. The estimates of employment for the current month are then obtained by multiplying these ratios by the previous month's employment estimates. The weighted link relative technique is utilized for data series where the sample size meets certain statistical criteria.

For some employment series, relatively small sample sizes limit the reliability of the weighted linkrelative estimates. In these cases, BLS uses the CES small domain model (SDM) to generate employment estimates. The SDM combines the direct sample estimates (described above) and forecasts of historical (benchmarked) data to decrease the volatility of the estimates. For more detailed information about the CES small domain model, refer to the BLS Handbook of Methods.

<u>Annual revisions.</u> Employment estimates are adjusted annually to a complete count of jobs, called benchmarks, derived principally from tax reports that are submitted by employers who are covered under state unemployment insurance (UI) laws. The benchmark information is used to adjust the monthly estimates between the new benchmark and the preceding one and also to establish the level of employment for the new benchmark month. Thus, the benchmarking process establishes the level of employment, and the sample is used to measure the month-to-month changes in the level for the subsequent months. Information on recent benchmark revisions is available online at www.bls.gov/web/laus/benchmark.pdf.

<u>Seasonal adjustment.</u> Payroll employment data are seasonally adjusted at the statewide supersector level. In some states, the seasonally adjusted payroll employment total is computed by aggregating the independently adjusted supersector series. In other states, the seasonally adjusted payroll employment total is independently adjusted. Revisions of historical data for the most recent 5 years are made once a year, coincident with annual benchmark adjustments.

Reliability of the estimates

The estimates presented in this release are based on sample surveys, administrative data, and modeling and, thus, are subject to sampling and other types of errors. Sampling error is a measure of sampling variability—that is, variation that occurs by chance because a sample rather than the entire population is surveyed. Survey data also are subject to nonsampling errors, such as those which can be introduced into the data collection and processing operations. Estimates not directly derived from sample surveys are subject to additional errors resulting from the specific estimation processes used. Model-based error measures for seasonally adjusted and not seasonally adjusted data and for over-the-month and over-the-year changes to LAUS estimates are available online at www.bls.gov/lau/lastderr.htm. Measures of sampling error for state CES data at the total nonfarm and supersector levels are available online at www.bls.gov/sae/790stderr.htm.

Release Dates

The next unemployment update is scheduled for Wednesday, October 2, 2019 when the county unemployment rates for August 2019 will be released.

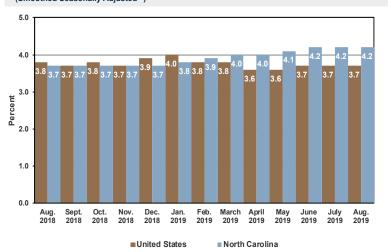
The complete data release schedule for 2019 can be accessed here:

https://www.nccommerce.com/documents/release-dates-unemployment-rates

North Carolina Labor Market Conditions

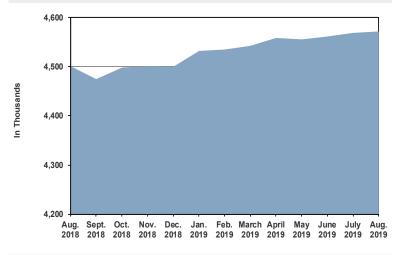
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United States/North Carolina Unemployment Rates August 2018–August 2019 (Smoothed Seasonally Adjusted**)



**US data are not smoothed.

North Carolina Total Nonfarm Employment August 2018–August 2019 (Seasonally Adjusted)



Changes in Employment by NAICS Industries August 2018 Compared to August 2019 (Seasonally Adjusted)

The North Carolina smoothed seasonally adjusted unemployment rate was 4.2 percent in August, remaining unchanged from the previous month and increasing 0.5 of a percentage point from August 2018. Over the month, the number of persons unemployed increased by 123 (0.1%). The civilian labor force grew by 14,616 (0.3%) to 5,112,139.

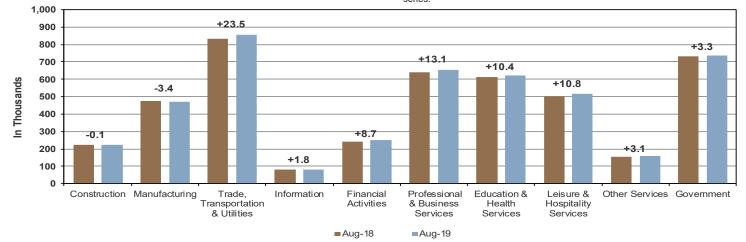
Nationally, August's unemployment rate was 3.7 percent. The number of persons unemployed was 6,044,000, while the civilian labor force was 163,922,000.

Seasonally adjusted Total Nonfarm industry employment (4,571,600) increased 2,300 (0.1%) since July 2019 and increased 71,000 (1.6%) since August 2018.¹ Private sector employment grew 2,600 (0.1%) over the month and increased 67,700 (1.8%) over the year.

Of the major industries for which payroll data are seasonally adjusted, Professional & Business Services (5,400; 0.8%) had the largest over-the-month gain in jobs, followed by Financial Activities (800; 0.3%), Construction (600; 0.3%), Information (500; 0.6%), and Mining & Logging (100; 1.8%). Other Services (2,300; 1.4%) reported the largest over-the-month decrease, followed by Leisure & Hospitality Services (2,200; 0.4%), Government (300; >-0.1%), and Manufacturing (300; 0.1%). Trade, Transportation & Utilities and Education & Health Services remained unchanged over the month.

Since August 2018, Trade, Transportation & Utilities added the largest number of jobs (23,500; 2.8%), followed by Professional & Business Services (13,100; 2.1%), Leisure & Hospitality Services (10,800; 2.1%), Education & Health Services (10,400; 1.7%), Financial Activities (8,700; 3.6%), Government (3,300; 0.4%), Other Services (3,100; 2.0%), and Information (1,800; 2.3%). Manufacturing (3,400; 0.7%) reported the largest decrease, followed by Mining & Logging (200; 3.4%), and Construction (100; >-0.1%).

¹It is important to note that industry employment estimates are subject to large seasonal patterns. Seasonal adjustment factors are applied to the data. However, these factors may not be fully capturing the seasonal trend. Therefore, when interpreting the changes in industry employment, it is advisable to focus on overthe-year changes in both the seasonally adjusted and not seasonally adjusted series



*N.C. current month data are preliminary, while all other seasonally adjusted data have undergone annual revision. U.S. data have undergone annual revision.

Labor & Economic Analysis | North Carolina Department of Commerce | 1 of 2

North Carolina Labor Market Conditions

The August 2019 not seasonally adjusted Total Nonfarm employment level of 4,573,600 was 52,100 (1.2%) lower than the July 2019 revised employment level of 4,521,500. Among the major industries in North Carolina, Government had the largest overthe-month increase in employment at 56,000 (8.6%) followed by Professional & Business Services (9,700; 1.5%), Education & Health Services (1,200; 0.2%); Information (100; 0.1%), and Mining & Logging (100; 1.8%). Leisure & Hospitality Services (8,300; 1.5%) reported the largest over-the-month decrease, followed by Other Services (3,300; 2.0%), Trade, Transportation & Utilities (3,000; 0.4%), Construction (300; 0.1%), and Manufacturing (100; >-0.1%). Financial Activities reported no change over the month.

Over the year, the Service Providing sector (all industries except Mining & Logging, Construction, and Manufacturing) showed an increase of 71,500 (1.9%) jobs. Trade, Transportation & Utilities experienced the largest employment increase at 21,600 (2.6%), followed by Leisure & Hospitality Services (14,600; 2.8%), Professional & Business Services (13,000; 2.0%), Financial Activities (8,600; 3.5%), Other Services (3,300; 2.1%), Information (2,100; 2.6%), and Government (2,000; 0.3%). No decreases were reported over the year.

The Goods Producing sector fell by 6,100 (0.9%) jobs over the year. Manufacturing had the largest decrease with 4,000 (0.8%), followed by Construction (1,900; 0.9%), and Mining & Logging (200; 3.4%).

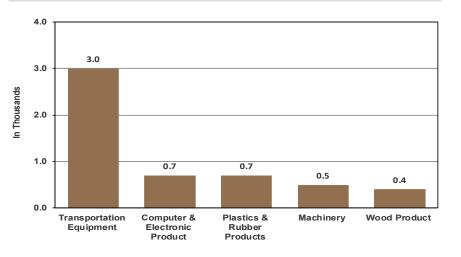
Amongst manufacturing industries, Transportation Equipment had the largest net over-the-year increase at 3,000. Other manufacturing industries with gains were: Computer & Electronic Product, 700; Plastics & Rubber Products, 700; Machinery, 500; Wood Product, 400; and Electrical Equipment, Appliance & Component, 300.

Food had the largest net over-the-year decrease at 3,200 in August 2019. Other industries with decreases were: Textile Mills, 1,200; Beverage & Tobacco Product, 700; Chemical, 600; Apparel, 600; Fabricated Metal Product, 600; Printing & Related Support Activities, 400; Furniture & Related Product, 300; and Textile Product Mills, 100.

Over the month, Average Weekly Hours for total private workers in August increased 12 minutes from July's revised rate of 34.1. Average Hourly Earnings grew by \$0.23 to \$25.48, as Average Weekly Earnings increased by \$12.93 to \$873.96.

Over the year, Average Weekly Hours for total private workers in August decreased 30 minutes from the revised rate of 34.8 in August 2018. Average Hourly Earnings grew by \$0.75 and Average Weekly Earnings increased \$13.36.

Selected Manufacturing Industries With Job Gains August 2018–August 2019 (Not Seasonally Adjusted)



Selected Service Industries With Job Gains August 2018–August 2019 (Not Seasonally Adjusted)

