

For Immediate Release: January 24, 2020 For More Information, Contact: Beth Gargan/919.814.4610

#### North Carolina's December Employment Figures Released

**RALEIGH** — The state's seasonally adjusted December unemployment rate was 3.7 percent, decreasing 0.1 of a percentage point from November's revised rate. The national rate remained unchanged at 3.5 percent.

North Carolina's December 2019 unemployment rate remained unchanged from a year ago. The number of people employed increased 7,227 over the month to 4,939,767 and increased 137,509 over the year. The number of people unemployed decreased 6,432 over the month to 191,019 and increased 5,095 over the year.

Seasonally adjusted Total Nonfarm industry employment, as gathered through the monthly establishment survey, increased 300 to 4,593,600 in December. The major industries with the largest over-the-month increases were Leisure & Hospitality Services, 5,600; Financial Activities, 1,200; Information, 900; Other Services, 600; Education & Health Services, 400; and Manufacturing, 100. Major industries experiencing decreases were Professional & Business Services, 6,400; Trade, Transportation & Utilities, 1,100; Government, 900; and Mining & Logging, 100. Construction employment remained unchanged over the month.

#### Seasonally Adjusted Unemployment Rates since December 2018

										Sept 2019			Dec 2019
N.C.	3.7	3.8	3.9	4.0	4.0	4.1	4.2	4.2	4.2	4.1	4.0	3.8	3.7
U.S.	3.9	4.0	3.8	3.8	3.6	3.6	3.7	3.7	3.7	3.5	3.6	3.5	3.5

Please note: 2018 numbers have undergone annual revision

Since December 2018, Total Nonfarm jobs increased 93,900 with the Total Private sector increasing by 90,500 and Government increasing by 3,400. The largest over-the-year increase among major industries were Leisure & Hospitality Services, 30,200; Trade, Transportation & Utilities, 18,100; Education & Health Services, 13,800; Financial Activities, 9,900; Professional & Business Services, 9,100; Other Services, 7,100; Information, 4,000; and Construction, 200. The only major industry experiencing a decrease was Manufacturing, 1,900. Mining & Logging employment remained unchanged over the year.

The next unemployment update is scheduled for Wednesday, February 5, 2020 when the county unemployment rates for December 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, January 24, 2020

				Month Ago		Year	Ago
	D 1 2010	N. 1 2010	D 1 2010			Numeric	
North Carolina	December 2019	November 2019	December 2018	Change	Change	Change	Change
(Local Area Unemployment Statistics	;)						
Smoothed Seasonally Adjusted							
Labor Force	5,130,786	5,129,991	4,988,182	795	< 0.1	142,604	2.
Employed	4,939,767	4,932,540	4,802,258	7,227	0.1	137,509	2
Unemployed	191,019	197,451	185,924	-6,432	-3.3	5,095	2
Unemployment Rate	3.7	3.8	3.7	-0.1	xxx	0.0	X
Not Seasonally Adjusted							
Labor Force	5,078,529	5,110,118	4,966,260	-31,589	-0.6	112,269	2
Employed	4,909,376	4,936,573	4,781,104	-27,197	-0.6	128,272	2
Unemployed	169,153	173,545	185,156	-4,392	-2.5	-16,003	-8
Unemployment Rate	3.3	3.4	3.7	-0.1	xxx	-0.4	X
United States							
(Current Population Survey)							
(Current Population Survey) Seasonally Adjusted	164,556,000	164,404,000	163,240,000	152,000	0.1	xxx	X
(Current Population Survey) Seasonally Adjusted Labor Force	164,556,000 158,803,000	164,404,000 158,593,000		152,000 210,000		xxx xxx	
(Current Population Survey) Seasonally Adjusted Labor Force				210,000	0.1		X
(Current Population Survey) Seasonally Adjusted Labor Force Employed	158,803,000	158,593,000	156,945,000 6,294,000	210,000 -58,000	0.1 -1.0	xxx	x0 x0 x0
(Current Population Survey) Seasonally Adjusted Labor Force Employed Unemployed	158,803,000 5,753,000	158,593,000 5,811,000	156,945,000 6,294,000	210,000 -58,000	0.1 -1.0	xxx	X
(Current Population Survey) Seasonally Adjusted Labor Force Employed Unemployed Unemployment Rate	158,803,000 5,753,000	158,593,000 5,811,000	156,945,000 6,294,000 3.9	210,000 -58,000 0.0	0.1 -1.0 xxx	xxx xxx xxx	X
(Current Population Survey) Seasonally Adjusted Labor Force Employed Unemployed Unemployment Rate Not Seasonally Adjusted Labor Force	158,803,000 5,753,000 3.5	158,593,000 5,811,000 3.5 164,386,000	156,945,000 6,294,000 3.9	210,000 -58,000 0.0	0.1 -1.0 xxx -0.2	xxx xxx xxx	x x x
(Current Population Survey) Seasonally Adjusted Labor Force Employed Unemployed Unemployment Rate Not Seasonally Adjusted	158,803,000 5,753,000 3.5	158,593,000 5,811,000 3.5 164,386,000	156,945,000 6,294,000 3.9 162,510,000 156,481,000	210,000 -58,000 0.0 -379,000 -441,000	-0.2 -0.3	xxx xxx xxx	x x x

<sup>\*</sup>Effective January 2019, updated US population estimates are used in the national labor force estimates.

 $<sup>\</sup>label{thm:comparability} The \ annual \ population \ adjustments \ affect \ the \ comparability \ of \ national \ labor \ force \ estimates \ over \ time.$ 

<sup>2019</sup> 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, January 24, 2020

				Month Ago		Year Ago	
	December 2019	November 2019	December 2018	Numeric Change	Percent Change	Numeric Change	Percent Change
North Carolina (Current Employment Statis	stics)						
Seasonally Adjusted							
Total Nonfarm	4,593,600	4,593,300	4,499,700	300	<0.1	93,900	2.1
Total Private	3,859,900	3,858,700	3,769,400	1,200	<0.1	90,500	2.4
Mining & Logging	5,500	5,600	5,500	-100	-1.8	0	0.0
Construction	219,800	219,800	219,600	0	0.0	200	0.
Manufacturing	472,300	472,200	474,200	100	<0.1	-1,900	-0.4
Trade, Transportation & Utilities	857,600	858,700	839,500	-1,100	-0.1	18,100	2.2
Information	84,000	83,100	80,000	900	1.1	4,000	5.0
Financial Activities	251,600	250,400	241,700	1,200	0.5	9,900	4.
Professional & Business Services	643,900	650,300	634,800	-6,400	-1.0	9,100	1.4
Education & Health Services	625,900	625,500	612,100	400	0.1	13,800	2.3
Leisure & Hospitality Services	538,100	532,500	507,900	5,600	1.1	30,200	5.9
Other Services	161,200	160,600	154,100	600	0.4	7,100	4.0
Government	733,700	734,600	730,300	-900	-0.1	3,400	0.9
North Carolina (Current Employment Statis	stics)						
Not Seasonally Adjusted	4 620 400	4 622 000	4 520 400	11 600	0.2	00.200	2.4
Total Nonfarm	4,620,400		4,530,100	-11,600	-0.3	90,300	
Total Private	3,870,100			-5,700	-0.1	87,800	
Mining & Logging	5,500			-100	-1.8	0	
Construction	219,000	·	219,100	-1,700	-0.8	-100	
Manufacturing	473,800	,	475,700	-1,200	-0.3	-1,900	
Trade, Transportation & Utilities	879,000				0.6		
Information	85,000	,		·	2.2		
Financial Activities	251,000				0.6	,	
Professional & Business Services	644,000			·	-1.9		
Education & Health Services	630,200				-0.1		
Leisure & Hospitality Services	522,300				0.2		
Other Services	160,300		153,200	700	0.4		
Government	750,300	756,200	747,800	-5,900	-0.8	2,500	0.3

#### **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:

https://d4.nccommerce.com/LausSelection.aspx https://d4.nccommerce.com/CesSelection.aspx

#### **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.

Method of estimation. 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

Revisions. 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 long-run 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.

Area definitions. 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.

Method of estimation. 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 previousmonth 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 link-relative 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.

Annual revisions. 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 overthe-month and over-the-year changes to LAUS estimates are available online at <a href="https://www.bls.gov/lau/lastderr.htm">www.bls.gov/lau/lastderr.htm</a>. Measures of sampling error for state CES data at the total nonfarm and supersector levels are available online at <a href="https://www.bls.gov/sae/790stderr.htm">www.bls.gov/sae/790stderr.htm</a>.

#### **Release Dates**

The next unemployment update is scheduled for Wednesday, February 5, 2020 when the county unemployment rates for December 2019 will be released.

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

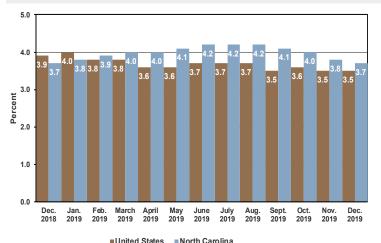
https://www.nccommerce.com/documents/release-dates-unemployment-rates

## North Carolina Labor Market Conditions

December 2 0 1 9

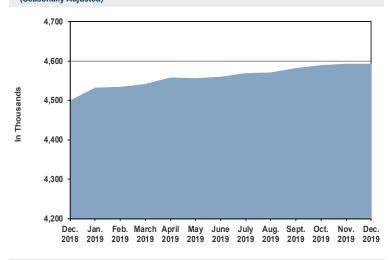
## United States/North Carolina Unemployment Rates December 2018–December 2019

(Smoothed Seasonally Adjusted\*\*)



\*\*US data are not smoothed.

#### North Carolina Total Nonfarm Employment December 2018-December 2019 (Seasonally Adjusted)



The North Carolina smoothed seasonally adjusted unemployment rate was 3.7 percent in December, decreasing 0.1 of a percentage point from the previous month and remained unchanged from December 2018. Over the month, the number of persons unemployed decreased by 6,432 (3.3%). The civilian labor force grew by 795 (<0.1%) to 5,130,786.

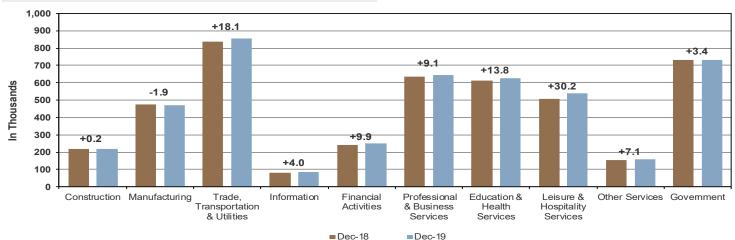
Nationally, December's unemployment rate was 3.5 percent. The number of persons unemployed was 5,753,000, while the civilian labor force was 164,556,000.

Seasonally adjusted Total Nonfarm industry employment (4,593,600) increased 300 (<0.1%) since November 2019 and increased 93,900 (2.1%) since December 2018.<sup>1</sup> Private sector employment grew 1,200 (<0.1%) over the month and increased 90,500 (2.4%) over the year.

Of the major industries for which payroll data are seasonally adjusted, Leisure & Hospitality Services (5,600; 1.1%) had the largest over-the-month gain in jobs, followed by Financial Activities (1,200; 0.5%), Information (900; 1.1%), Other Services (600; 0.4%), Education & Health Services (400; 0.1%), and Manufacturing (100; <0.1%). Professional & Business Services (6,400; 1.0%) reported the largest over-the-month decrease, followed by Trade, Transportation & Utilities (1,100; 0.1%), Government (900; 0.1%), and Mining & Logging (100; 1.8%). Construction remained unchanged.

Since December 2018, Leisure & Hospitality Services added the largest number of jobs (30,200; 5.9%), followed by Trade, Transportation & Utilities (18,100; 2.2%), Education & Health Services (13,800; 2.3%), Financial Activities (9,900; 4.1%), Professional & Business Services (9,100; 1.4%), Other Services (7,100; 4.6%), Information (4,000; 5.0%), Government (3,400; 0.5%), and Construction (200; 0.1%). Manufacturing (1,900; 0.4%) reported the only decrease. Mining & Logging remained unchanged.

Changes in Employment by NAICS Industries December 2018 Compared to December 2019 (Seasonally Adjusted) 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 over-the-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.

### North Carolina Labor Market Conditions

The December 2019 not seasonally adjusted Total Nonfarm employment level of 4,620,400 was 11,600 (0.3%) lower than the November 2019 revised employment level of 4,632,000. Among the major industries in North Carolina, Trade, Transportation & Utilities had the largest over-themonth increase in employment at 5,200 (0.6%), followed by Information (1,800; 2.2%), Financial Activities (1,500; 0.6%), Leisure & Hospitality Services (900; 0.2%), and Other Services (700; 0.4%). Professional & Business Services (12,200; 1.9%) reported the largest over-the-month decrease, followed by Government (5,900; 0.8%). Construction (1,700; 0.8%), Manufacturing (1,200; 0.3%), Education & Health Services (600; 0.1%), and Mining & Logging (100; 1.8%).

Over the year, the Service Providing sector (all industries except Mining & Logging, Construction, and Manufacturing) showed an increase of 92,300 (2.4%) jobs. Leisure & Hospitality Services experienced the largest employment increase at 28,500 (5.8%), followed by Trade, Transportation & Utilities (17,400; 2.0%), Education & Health Services (13,200; 2.1%), Financial Activities (10,300; 4.3%), Professional & Business Services (8,800; 1.4%), Other Activities (7,100; 4.6%), Information (4,500; 5.6%), and Government (2,500; 0.3%).

The Goods Producing sector decreased by 200 (0.3%) jobs over the year. Manufacturing had the largerst decrease with 1,900 (0.4%), followed by Construction (100; 0.1%). Mining & Logging remained unchanged over the year.

Amongst manufacturing industries, Transportation Equipment had the largest net over-the-year increase at 4,000. Other manufacturing industries with gains were: Fabricated Metal Product, 1,300; Plastics & Rubber Products, 700; Wood Product, 400; and Computer & Electronic Product, 200.

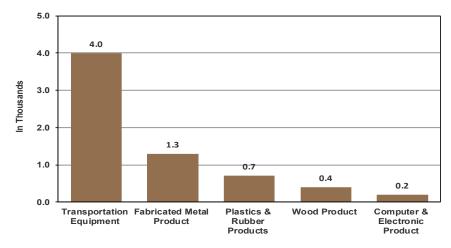
Food had the largest net over-the-year decrease at 1.800 in December 2019. Other industries with decreases were: Textile Mills, 1,100; Chemical, 400; Apparel, 400; Printing & Related Support Activities, 300; Furniture & Related Product, 300; Textile Product Mills, 100; Electrical Equipment, Appliance & Component, 100; and Machinery, 100.

Over the month, Average Weekly Hours for total private workers in December increased 24 minutes from November's revised rate of 33.9. Average Hourly Earnings fell by \$0.09 to \$25.84, as Average Weekly Earnings increased by \$7.28 to \$886.31.

Over the year, Average Weekly Hours for total private workers in December increased 30 minutes from the revised rate of 33.8 in December 2018. Average Hourly Earnings grew by \$0.18 and Average Weekly Earnings increased \$19.00.

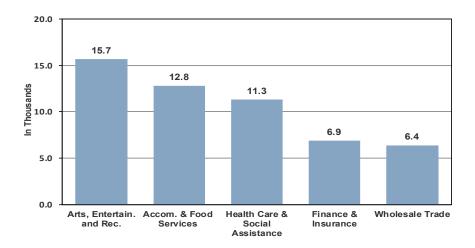
#### Selected Manufacturing Industries With Job Gains December 2018-December 2019

(Not Seasonally Adjusted)



#### Selected Service Industries With Job Gains December 2018-December 2019

(Not Seasonally Adjusted)



#### Total Private Average Weekly Wage December 2016–December 2019

(Not Seasonally Adjusted)

