North Carolina's January Employment Figures Released

RALEIGH — The March 11, 2019 press release announcing North Carolina's January 2019 employment figures has been updated to include the U.S. Bureau of Labor Statistics' historical revisions for all labor force data, including updated information for the January 2018 labor force data as well as the reported over-the-year changes.

The state's seasonally adjusted January unemployment rate was 3.8 percent, increasing 0.1 of a percentage point from December's revised rate. The national rate increased 0.1 of a percentage point to 4.0 percent.

North Carolina's January 2019 unemployment rate decreased 0.4 of a percentage point from a year ago. The number of people employed increased 7,025 over the month to 4,809,283 and increased 56,149 over the year. The number of people unemployed increased 5,083 over the month to 191,007 and decreased 18,022 over the year.

Seasonally adjusted Total Nonfarm industry employment, as gathered through the monthly establishment survey, increased 34,700 to 4,534,400 in January. The major industries with the largest over-the-month increases were Leisure & Hospitality Services at 9,000, followed by Education & Health Services, 7,200; Construction, 6,200; Professional & Business Services, 6,200; Trade, Transportation & Utilities, 2,900; Financial Activities, 1,600; Manufacturing, 1,000; Government, 800; and Mining & Logging, 100. Major industries experiencing decreases were Information, 200; and Other Services, 100.

Seasonally Adjusted Unemployment Rates since January 2018

	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019
N.C.	4.2	4.2	4.1	4.0	4.0	3.9	3.8	3.7	3.7	3.7	3.7	3.7	3.8
U.S.	4.1	4.1	4.0	3.9	3.8	4.0	3.9	3.8	3.7	3.8	3.7	3.9	4.0

Please note: 2018 numbers have undergone annual revision

Since January 2018, Total Nonfarm jobs gained 73,800 with the Total Private sector growing by 74,600 and Government decreasing by 800. The largest over-the-year increase among major industries was Leisure & Hospitality Services, 16,600, followed by Professional & Business Services, 13,400; Trade, Transportation & Utilities, 12,600; Education & Health Services, 12,300; Construction, 10,000; Financial Activities, 6,100; Manufacturing, 3,700; and Information, 400. Major industries experiencing decreases were Government, 800; Mining & Logging, 300; and Other Services, 200.

The next unemployment update is scheduled for Friday, March 15, 2019 when the county unemployment rates for January 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. Monday, March 11, 2019

	January 2019	December 2018	January 2018	Month Ago Numeric Change	Month Ago Percent Change	Year Ago Numeric Change	Year Ago Percent Change
North Carolina *(Local Area Unemployment Statistics)*							
Smoothed Seasonally Adjusted							
Labor Force	5,000,290	4,988,182	4,962,163	12,108	0.2	38,127	0.8
Employed	4,809,283	4,802,258	4,753,134	7,025	0.1	56,149	1.2
Unemployed	191,007	185,924	209,029	5,083	2.7	-18,022	-8.6
Unemployment Rate	3.8	3.7	4.2	0.1	xxx	-0.4	xxx
Not Seasonally Adjusted							
Labor Force	4,992,957	4,966,260	4,908,404	26,697	0.5	84,553	1.7
Employed	4,767,612	4,781,104	4,690,541	-13,492	-0.3	77,071	1.6
Unemployed	225,345	185,156	217,863	40,189	21.7	7,482	3.4
Unemployment Rate	4.5	3.7	4.4	0.8	xxx	0.1	xxx
United States *(Current Population Survey)*							
Seasonally Adjusted							
Labor Force	163,229,000	163,240,000	161,123,000	-11,000	> -0.1	xxx	xxx
Employed	156,694,000	156,945,000	154,482,000	-251,000	-0.2	xxx	xxx
Unemployed	6,535,000	6,294,000	6,641,000	241,000	3.8	xxx	xxx
Unemployment Rate	4.0	3.9	4.1	0.1	xxx	xxx	xxx
Not Seasonally Adjusted							
Labor Force	162,104,000	162,510,000	160,037,000	-406,000	-0.2	xxx	xxx
Employed	154,964,000	156,481,000	152,848,000	-1,517,000	-1.0	xxx	xxx
Unemployed	7,140,000	6,029,000	7,189,000	1,111,000	18.4	xxx	xxx
Unemployment Rate	4.4	3.7	4.5	0.7	xxx	xxx	xxx

*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., Monday, March 11, 2019

	January 2019	December 2018	January 2018	Month Ago Numeric Change	Month Ago Percent Change	Year Ago Numeric Change	Year Ago Percent Change
North Carolina *(Current Employment Statistics)*							
Seasonally Adjusted							
Total Nonfarm	4,534,400	4,499,700	4,460,600	34,700	0.8	73,800	1.7
Total Private	3,803,300	3,769,400	3,728,700	33,900	0.9	74,600	2.0
Mining & Logging	5,600	5,500	5,900	100	1.8	-300	-5.1
Construction	225,800	219,600	215,800	6,200	2.8	10,000	4.6
Manufacturing	475,200	474,200	471,500	1,000	0.2	3,700	0.8
Trade, Transportation & Utilities	842,400	839,500	829,800	2,900	0.3	12,600	1.5
Information	79,800	80,000	79,400	-200	-0.3	400	0.5
Financial Activities	243,300	241,700	237,200	1,600	0.7	6,100	2.6
Professional & Business Services	641,000	634,800	627,600	6,200	1.0	13,400	2.1
Education & Health Services	619,300	612,100	607,000	7,200	1.2	12,300	2.0
Leisure & Hospitality Services	516,900	507,900	500,300	9,000	1.8	16,600	3.3
Other Services	154,000	154,100	154,200	-100	-0.1	-200	-0.1
Government	731,100	730,300	731,900	800	0.1	-800	-0.1
North Carolina *(Current Employment Statistics)*							
Not Seasonally Adjusted							
Total Nonfarm	4,475,900	4,530,100	4,395,000	-54,200	-1.2	80,900	1.8
Total Private	3,739,500	3,782,300	3,658,100	-42,800	-1.1	81,400	2.2
Mining & Logging	5,500	5,500	5,800	0	0.0	-300	-5.2
Construction	219,000	219,100	209,300	-100	0.1	9,700	4.6
Manufacturing	473,900	475,700	468,500	-1,800	-0.4	5,400	1.2
Trade, Transportation & Utilities	835,400	861,600	820,600	-26,200	-3.0	14,800	1.8
Information	79,500	80,500	79,000	-1,000	-1.2	500	0.6
Financial Activities	241,200	240,700	234,000	500	0.2	7,200	3.1
Professional & Business Services	629,700	635,200	614,100	-5,500	-0.9	15,600	2.5
Education & Health Services	614,900	617,000	602,500	-2,100	-0.3	12,400	2.1
Leisure & Hospitality Services	487,700	493,800	472,700	-6,100	-1.2	15,000	3.2
Other Services	152,700	153,200	151,600	-500	-0.3	1,100	0.7
Government	736,400	747,800	736,900	-11,400	-1.5	-500	-0.1

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:
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 July 15, 2015. A detailed list of the geographic definitions is available online at www.bls.gov/lau/lausmsa.htm.

Employment--from the CES program

Definitions. 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 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 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/sae/benchmark2017.pdf.

Seasonal adjustment. 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.

<u>Reliability of the estimates</u>

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.
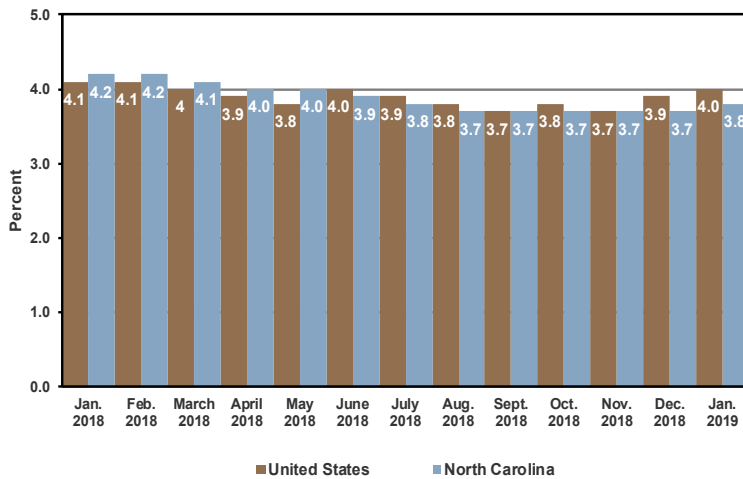

<u>Release Dates</u>

The next unemployment update is scheduled for Friday, March 15, 2019 when the county unemployment rates for January 2019 will be released.

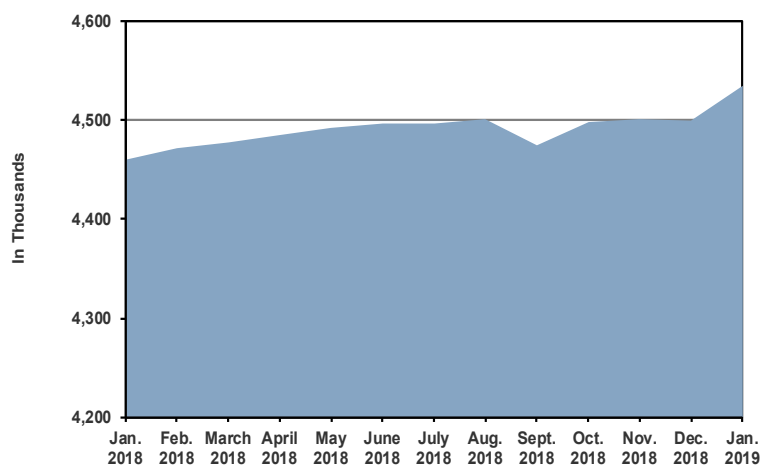The complete data release schedule for 2019 can be accessed here:

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

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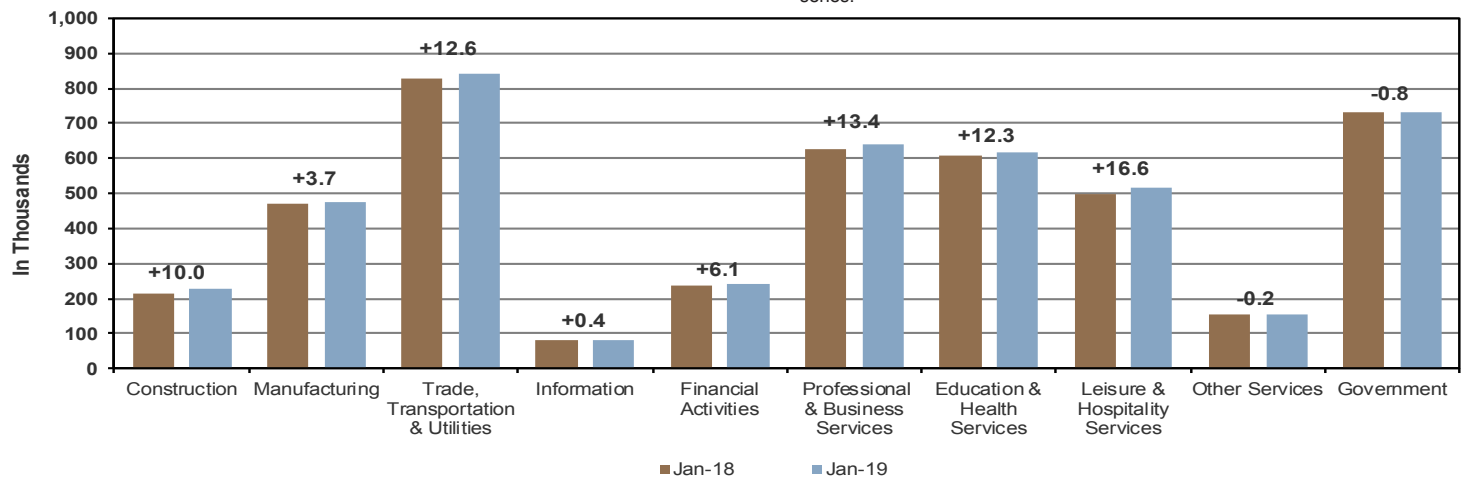

**US data are not smoothed.

- United States
- North Carolina

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

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

- Jan-18
- Jan-19

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

The North Carolina smoothed seasonally adjusted unemployment rate was 3.8 percent in January, increasing 0.1 of a percentage point from the previous month and falling 0.4 of a percentage point from January 2018. Over the month, the number of persons unemployed increased by 5,083 (2.7%). The civilian labor force grew by 12,108 (0.2%) to 5,000,290.

Nationally, January's unemployment rate was 4.0 percent. The number of persons unemployed was 6,535,000, while the civilian labor force was 163,229,000.

Seasonally adjusted Total Nonfarm industry employment (4,534,400) increased 34,700 (0.8%) since December 2018 and increased 73,800 (1.7%) since January 2018.[1] Private sector employment grew over the month by 33,900 (0.9%) and 74,600 (2.0%) over the year.

Of the major industries for which payroll data are seasonally adjusted, Leisure & Hospitality Services (9,000; 1.8%) had the largest over-the-month gain in jobs, followed by Education & Health Services (7,200; 1.2%), Professional & Business Services (6,200; 1.0%), Construction (6,200; 2.8%), Trade, Transportation & Utilities (2,900; 0.3%), Financial Activities (1,600; 0.7%), Manufacturing (1,000; 0.2%), Government (800; 0.1%), and Mining & Logging (100; 1.8%). Information (200; 0.3%) reported the largest over-the-month decrease, followed by Other Services (100; 0.1%).

Since January 2018, Leisure & Hospitality Services added the largest number of jobs (16,600; 3.3%), followed by Professional & Business Services (13,400; 2.1%), Trade, Transportation & Utilities (12,600; 1.5%), Education & Health Services (12,300; 2.0%), Construction (10,000; 4.6%), Financial Activities (6,100; 2.6%), Manufacturing (3,700; 0.8%), and Information (400; 0.5%). Government (800; 0.1%) reported an over-the-year decrease, followed by Mining & Logging (300; 5.1%), and Other Services (200; 0.1%).

[1] It 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 January 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.

The January 2019 not seasonally adjusted Total Nonfarm employment level of 4,475,900 was 54,200 (1.2%) less than the December 2018 revised employment level of 4,530,100. Among the major industries in North Carolina, Financial Activities had the only over-the-month increase in employment at 500 (0.2%). Trade, Transportation & Utilities experienced the largest employment decrease at 26,200 (3.0%), Government (11,400; 1.5%), Leisure & Hospitality Services (6,100; 1.2%), Professional & Business Services (5,500; 0.9%), Education & Health Services (2,100; 0.3%), Manufacturing (1,800; 0.4%), Information (1,000; 1.2%), Other Services (500; 0.3%), and Construction (100; 0.1%).

Over the year, the Service Providing sector (all industries except Mining & Logging, Construction, and Manufacturing) showed an increase of 66,100 (1.8%) jobs. Professional & Business Services experienced the largest employment increase at 15,600 (2.5%), followed by Leisure & Hospitality Services (15,000; 3.2%), Trade, Transportation & Utilities (14,800; 1.8%), Education & Health Services (12,400; 2.1%), Financial Activities (7,200; 3.1%), Other Services (1,100; 0.7%), and Information (500; 0.6%). Government (500; 0.1%) reported the only over-the-year decrease.

The Goods Producing sector grew by 14,800 (2.2%) jobs over the year. Construction had the largest increase with 9,700 (4.6%), followed by Manufacturing (5,400; 1.2%). Mining & Logging reported a loss of 300 (5.2%).
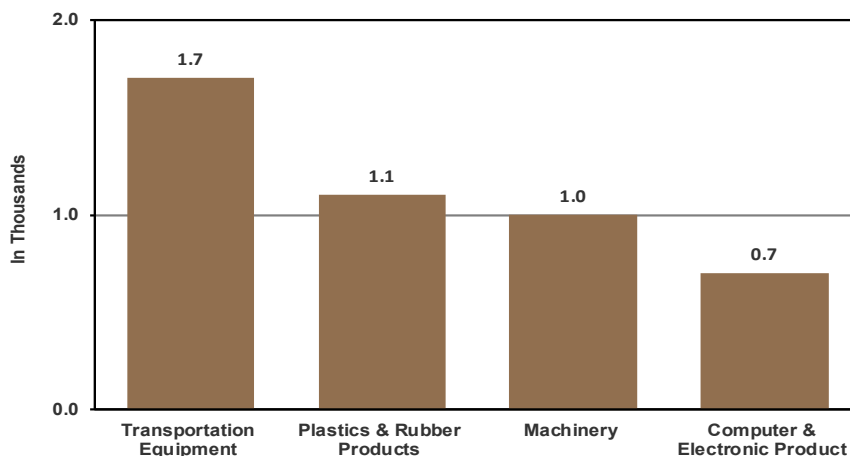
Amongst manufacturing industries, Transportation Equipment had the largest net over-the-year increase at 1,700. Other manufacturing industries with gains were: Plastics & Rubber Products, 1,100; Machinery, 1,000; Computer & Electronic Product, 700; Food, 500; Fabricated Metal Product, 400; Wood Product, 300; Electrical Equipment, Applicance, & Component, 300; and Chemical, 200.

Textile Mills had the largest net over-the-year decrease at 700 in January 2019. Other industries with decreases were: Printing & Related Support Activities, 600; Apparel, 400; Furniture & Related Product, 300; Textile Product Mills, 200; and Beverage & Tobacco Product, 200.
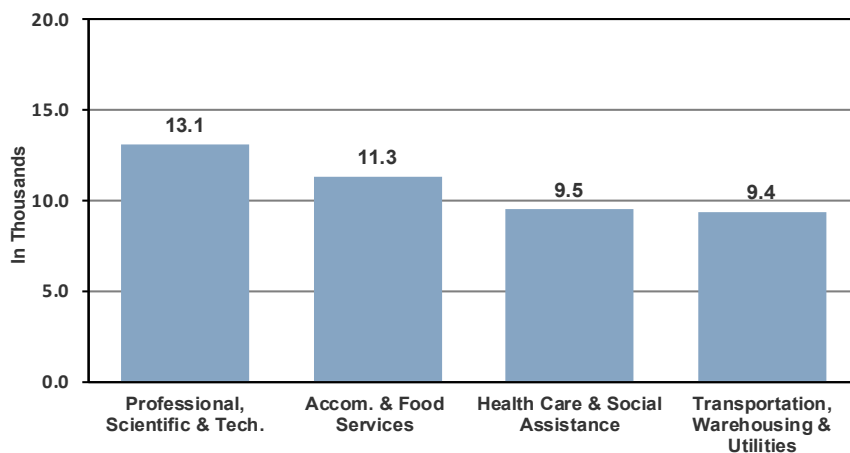
Over the month, Average Weekly Hours for total private workers in January increased 18 minutes from December's revised rate of 33.8. Average Hourly Earnings fell by $0.35 to $25.31, as Average Weekly Earnings decreased by $4.24 to $863.07.

Over the year, Average Weekly Hours for total private workers in January increased 12 minutes from the revised rate of 33.9 in January 2018. Average Hourly Earnings grew by $0.53 and Average Weekly Earnings increased $23.03.

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

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

**Total Private Average Weekly Wage
January 2016–January 2019**
(Not Seasonally Adjusted)