North Carolina's July Employment Figures Released

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

North Carolina's July 2019 unemployment rate increased 0.4 of a percentage point from a year ago. The number of people employed increased 17,620 over the month to 4,885,696 and increased 92,864 over the year. The number of people unemployed increased 1,295 over the month to 212,072 and increased 22,428 over the year.

Seasonally adjusted Total Nonfarm industry employment, as gathered through the monthly establishment survey, increased 10,500 to 4,572,200 in July. The major industries with the largest over-the-month increases were Trade, Transportation & Utilities, 3,100; Other Services, 2,100; Government, 2,000; Professional & Business Services, 2,000; Manufacturing, 1,700; Education & Health Services, 1,600; and Financial Activities, 300. Major industries experiencing decreases were Leisure & Hospitality Services, 1,500; Construction, 700; and Mining & Logging, 100 . Information employment remained unchanged.

Seasonally Adjusted Unemployment Rates since July 2018

	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019	Jul 2019
N.C.	3.8	3.7	3.7	3.7	3.7	3.7	3.8	3.9	4.0	4.0	4.1	4.2	4.2
U.S.	3.9	3.8	3.7	3.8	3.7	3.9	4.0	3.8	3.8	3.6	3.6	3.7	3.7

Please note: 2018 numbers have undergone annual revision

Since July 2018, Total Nonfarm jobs increased 75,700 with the Total Private sector increasing by 72,600 and Government increasing by 3,100. The largest over-the-year increase among major industries was Trade, Transportation & Utilities at 25,600, followed by Leisure & Hospitality Services, 12,700; Education & Health Services, 12,200; Professional & Business Services, 10,200; Financial Activities, 8,300; Other Services, 6,200; Government, 3,100; and Information, 500. Major industries experiencing decreases were Manufacturing, 2,500; Mining & Logging, 400; and Construction, 200.

The next unemployment update is scheduled for Wednesday, August 28, 2019 when the county unemployment rates for July 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, August 16, 2019

	July 2019	June 2019	July 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	5,097,768	5,078,853	4,982,476	18,915	0.4	115,292	2.3
Employed	4,885,696	4,868,076	4,792,832	17,620	0.4	92,864	1.9
Unemployed	212,072	210,777	189,644	1,295	0.6	22,428	11.8
Unemployment Rate	4.2	4.2	3.8	0.0	xxx	0.4	xxx
Not Seasonally Adjusted							
Labor Force	5,180,308	5,149,413	5,035,639	30,895	0.6	144,669	2.9
Employed	4,953,588	4,920,288	4,828,216	33,300	0.7	125,372	2.6
Unemployed	226,720	229,125	207,423	-2,405	-1.0	19,297	9.3
Unemployment Rate	4.4	4.4	4.1	0.0	xxx	0.3	xxx
United States (Current Population Survey)							
Seasonally Adjusted							
Labor Force	163,351,000	162,981,000	162,209,000	370,000	0.2	xxx	xxx
Employed	157,288,000	157,005,000	155,964,000	283,000	0.2	xxx	xxx
Unemployed	6,063,000	5,975,000	6,245,000	88,000	1.5	xxx	xxx
Unemployment Rate	3.7	3.7	3.9	0.0	xxx	xxx	xxx
Not Seasonally Adjusted							
Labor Force	164,941,000	164,120,000	163,734,000	821,000	0.5	xxx	xxx
Employed	158,385,000	157,828,000	157,004,000	557,000	0.4	xxx	xxx
Unemployed	6,556,000	6,292,000	6,730,000	264,000	4.2	xxx	xxx
Unemployment Rate	4.0	3.8	4.1	0.2	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., Friday, August 16, 2019

	July 2019	June 2019	July 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	4,572,200	4,561,700	4,496,500	10,500	0.2	75,700	1.7
Total Private	3,833,600	3,825,100	3,761,000	8,500	0.2	72,600	1.9
Mining & Logging	5,500	5,600	5,900	-100	-1.8	-400	-6.8
Construction	220,100	220,800	220,300	-700	-0.3	-200	-0.1
Manufacturing	473,400	471,700	475,900	1,700	0.4	-2,500	-0.5
Trade, Transportation & Utilities	858,200	855,100	832,600	3,100	0.4	25,600	3.1
Information	80,400	80,400	79,900	0	0.0	500	0.6
Financial Activities	247,800	247,500	239,500	300	0.1	8,300	3.5
Professional & Business Services	645,700	643,700	635,500	2,000	0.3	10,200	1.6
Education & Health Services	624,800	623,200	612,600	1,600	0.3	12,200	2.0
Leisure & Hospitality Services	517,300	518,800	504,600	-1,500	-0.3	12,700	2.5
Other Services	160,400	158,300	154,200	2,100	1.3	6,200	4.0
Government	738,600	736,600	735,500	2,000	0.3	3,100	0.4
North Carolina *(Current Employment Statistics)*							
Not Seasonally Adjusted							
Total Nonfarm	4,524,900	4,581,900	4,441,900	-57,000	-1.2	83,000	1.9
Total Private	3,872,100	3,859,000	3,793,800	13,100	0.3	78,300	2.1
Mining & Logging	5,600	5,600	5,900	0	0.0	-300	-5.1
Construction	222,300	223,500	223,900	-1,200	-0.5	-1,600	-0.7
Manufacturing	474,000	472,500	477,400	1,500	0.3	-3,400	-0.7
Trade, Transportation & Utilities	860,700	858,000	834,000	2,700	0.3	26,700	3.2
Information	81,400	80,600	80,300	800	1.0	1,100	1.4
Financial Activities	251,500	249,200	242,700	2,300	0.9	8,800	3.6
Professional & Business Services	648,600	647,000	639,000	1,600	0.2	9,600	1.5
Education & Health Services	617,200	616,800	607,000	400	0.1	10,200	1.7
Leisure & Hospitality Services	547,600	545,000	526,700	2,600	0.5	20,900	4.0
Other Services	163,200	160,800	156,900	2,400	1.5	6,300	4.0
Government	652,800	722,900	648,100	-70,100	-9.7	4,700	0.7

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 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

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/web/laus/benchmark.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.
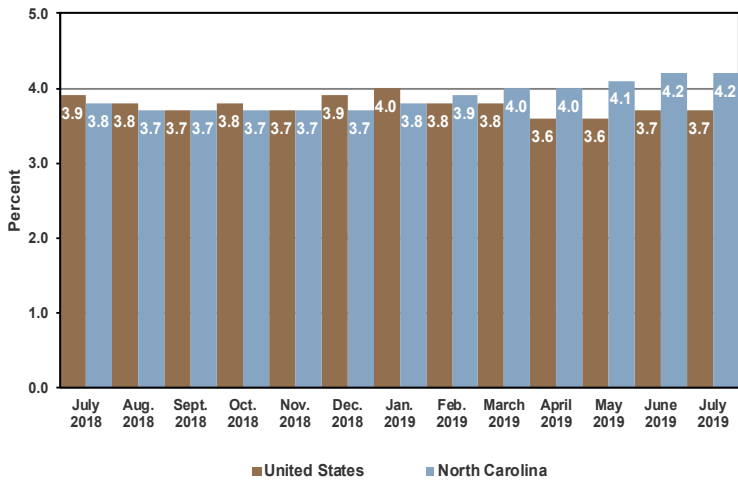
<u>Release Dates</u>

The next unemployment update is scheduled for Wednesday, August 28, 2019 when the county unemployment rates for July 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
July 2018–July 2019
(Smoothed Seasonally Adjusted)**

US data are not smoothed.

Legend: ■ United States ■ North Carolina

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

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

Legend: ■ Jul-18 ■ Jul-19

The North Carolina smoothed seasonally adjusted unemployment rate was 4.2 percent in July, remaining unchanged from the previous month and increasing 0.4 of a percentage point from July 2018. Over the month, the number of persons unemployed increased by 1,295 (0.6%). The civilian labor force grew by 18,915 (0.4%) to 5,097,768.

Nationally, July's unemployment rate was 3.7 percent. The number of persons unemployed was 6,063,000, while the civilian labor force was 163,351,000.
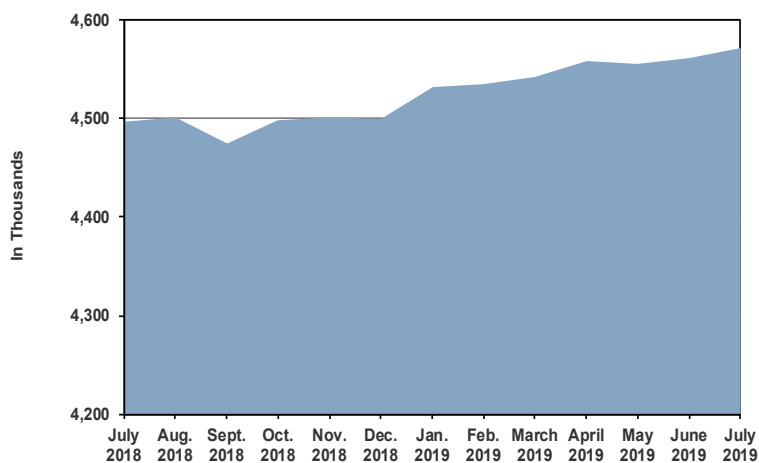
Seasonally adjusted Total Nonfarm industry employment (4,572,200) increased 10,500 (0.2%) since June 2019 and increased 75,700 (1.7%) since July 2018.[1] Private sector employment grew 8,500 (0.2%) over the month and increased 72,600 (1.9%) over the year.

Of the major industries for which payroll data are seasonally adjusted, Trade, Transportation & Utilities (3,100; 0.4%) had the largest over-the-month gain in jobs, followed by Other Services (2,100; 1.3%), Government (2,000; 0.3%), Professional & Business Services (2,000; 0.3%), Manufacturing (1,700; 0.4%), Education & Health Services (1,600; 0.3%), and Financial Activities (300; 0.1%). Leisure & Hospitality Services (1,500; 0.3%) reported the largest over-the-month decrease, followed by Construction (700; 0.3%), and Mining & Logging (100; 1.8%). Information remained unchanged over the month.
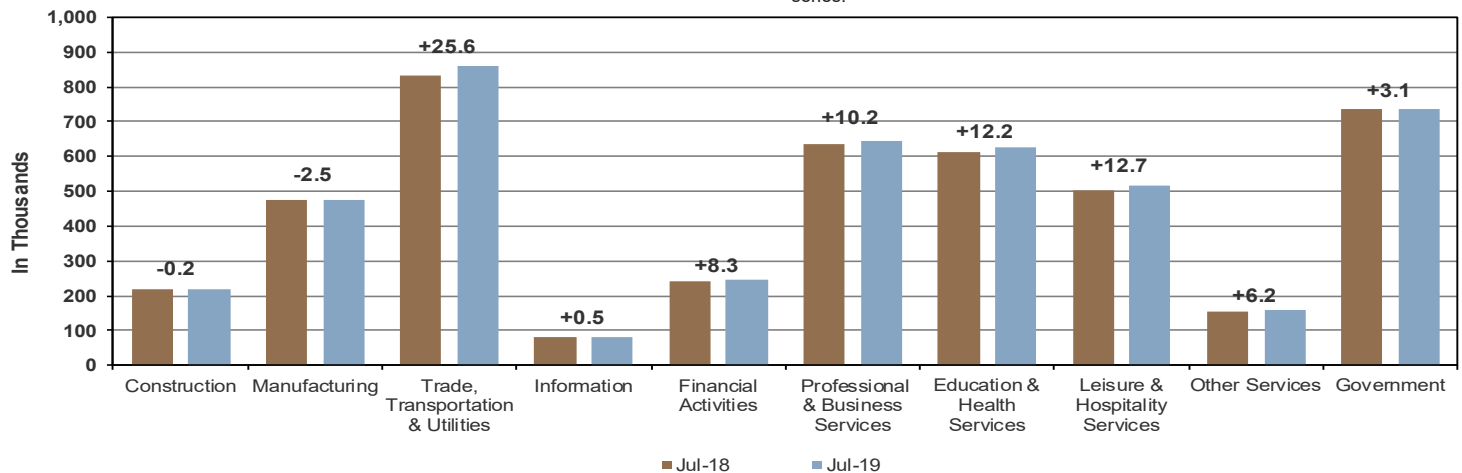
Since July 2018, Trade, Transportation & Utilities added the largest number of jobs (25,600; 3.1%), followed by Leisure & Hospitality Services (12,700; 2.5%), Education & Health Services (12,200; 2.0%), Professional & Business Services (10,200; 1.6%), Financial Activities (8,300; 3.5%), Other Services (6,200; 4.0%), Government (3,100; 0.4%), and Information (500; 0.6%). Manufacturing (2,500; 0.5%) reported the largest decrease, followed by Mining & Logging (400; 6.8%), and Construction (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 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.

The July 2019 not seasonally adjusted Total Nonfarm employment level of 4,542,900 was 57,000 (1.2%) lower than the June 2019 revised employment level of 4,581,900. Among the major industries in North Carolina, Trade, Transportation & Utilities had the largest over-the-month increase in employment at 2,700 (0.3%) followed by Leisure & Hospitality Services (2,600; 0.5%), Other Services with 2,400 (1.5%); Financial Activities (2,300; 0.9%), Professional & Business Services (1,600; 0.3%), Manufacturing (1,500; 0.3%), and Information (800; 1.0%). Government (70,100; 9.7%) reported the largest over-the-month decrease, followed by Construction (1,200; 0.5%). Mining & Logging 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 88,300 (2.4%) jobs. Trade, Transportation & Utilities experienced the largest employment increase at 26,700 (3.2%), followed by Leisure & Hospitality Services (20,900; 4.0%), Education & Health Services (10,200; 1.7%), Professional & Business Services (9,600; 1.5%), Financial Activities (8,800; 3.6%), Other Services (6,300; 4.0%), Government (4,700; 0.7%), and Information (1,100; 1.4%). No Service Provider sector decreases were reported over the year.

The Goods Producing sector fell by 5,300 (0.8%) jobs over the year. Manufacturing had the largest decrease with 3,400 (0.7%), followed by Construction (1,600; 0.7%), and Mining & Logging (300; 5.1%).

Amongst manufacturing industries, Transportation Equipment had the largest net over-the-year increase at 2,600. Other manufacturing industries with gains were: Machinery, 500; Plastics & Rubber Products, 500; Wood Product, 400; Computer & Electronic Product, 400; Fabricated Metal Product, 200; and Electrical Equipment, Appliance & Component, 200.

Food had the largest net over-the-year decrease at 2,900 in July 2019. Other industries with decreases were: Textile Mills, 1,300; Beverage & Tobacco Product, 600; Chemical, 500; Printing & Related Support Activities, 500; Apparel, 500; and Furniture & Related Product, 300.
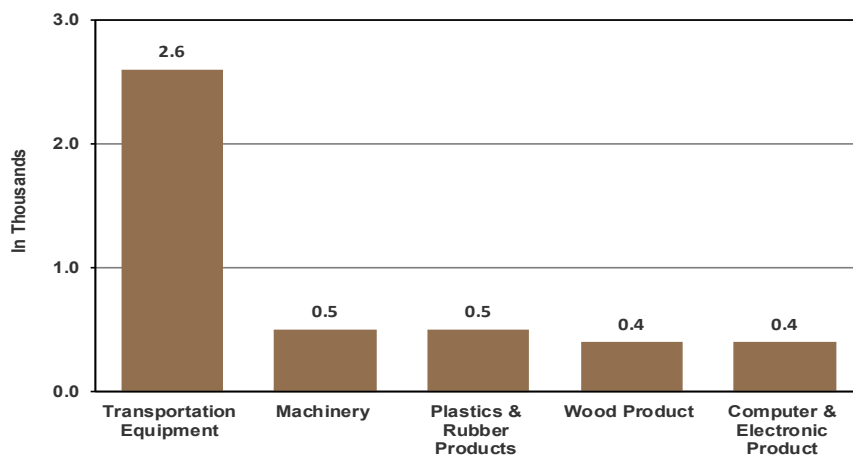
Over the month, Average Weekly Hours for total private workers in July decreased 36 minutes from June's revised rate of 34.7. Average Hourly Earnings fell by $0.06 to $25.23, as Average Weekly Earnings decreased by $17.22 to $860.34.

Over the year, Average Weekly Hours for total private workers in July decreased 60 minutes from the revised rate of 35.1 in July 2018. Average Hourly Earnings grew by $0.40 and Average Weekly Earnings decreased $11.19.

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

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

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